
PERTH THEATRE TRUST

Annual Report 2015-2016



PERTH
THEATRE
TRUST



Perth Theatre Trust

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Email: info@ptt.wa.gov.au
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His Majesty's Theatre

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Perth WA 6000
Ph: (08) 9265 0900
Fax: (08) 9321 5142
www.hismajestystheatre.com.au

Perth Concert Hall

5 St George's Terrace
Perth WA 6000
Ph: (08) 9231 9900
Fax: (08) 9325 1283
www.perthconcerthall.com.au

State Theatre Centre of Western Australia

174 -176 William Street
Perth WA 6000
Ph: (08) 6212 9200
Fax: (08) 6212 9207
www.statetheatrecentrewa.com.au

Subiaco Arts Centre

180 Hamersley Road
Subiaco WA 6008
Ph: (08) 9382 3000
Fax: (08) 9382 2245
www.subiacoartscentre.com.au

Albany Entertainment Centre

2 Toll Place (off Princess Royal Drive)
Albany WA 6330
Ph: (08) 9844 5000
Fax: (08) 9844 5055
Box Office: (08) 9844 5005
www.albanyentertainment.com.au

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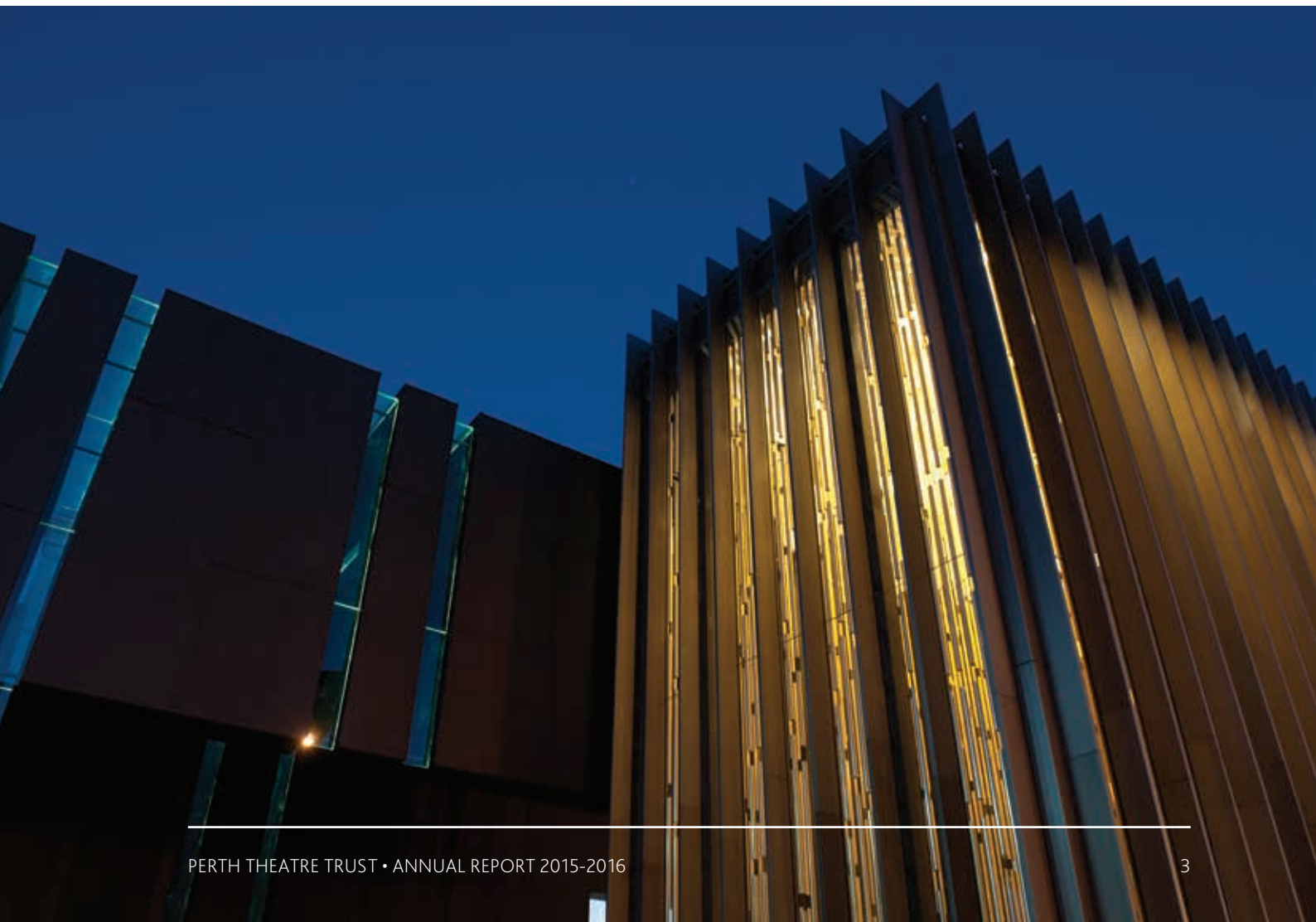
Letter of Transmission

In accordance with Section 61 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Perth Theatre Trust for the financial year ended 30 June 2016.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

A handwritten signature in blue ink, appearing to read 'Morgan Solomon', is positioned above the printed name and title.

Mr Morgan Solomon
Chairman



Executive Summary

Highlights

In 2015-2016 Perth Theatre Trust:

- was awarded the Auditor General's *Best Practice Top 20 Small Agencies*
- delivered 1,210 performances to 463,213 people
- completed the lighting of His Majesty's Theatre façade
- reduced costs by reviewing staffing levels and processes
- rejuvenated the Downstairs at The Maj performance space through both programming and maintenance
- upgraded the back of house facilities and systems at His Majesty's Theatre
- built on relationships with local businesses across Subiaco through alignment with the Subiaco Theatre Festival
- built on the relationship with FringeWorld for another successful Gold Digger season at the State Theatre Centre of WA
- welcomed Chico Gelato and Northside Books into the William St tenancies at the State Theatre Centre of WA
- worked with the Department of Culture and the Arts to develop a lease for the Perth Concert Hall which includes WA Venues and Events Pty Ltd and the City of Perth
- built a two-year partnership with DADAA to assist with the accessibility of our venues
- increased social media reach:
 - Facebook: 29%
 - Twitter: 256%
 - Instagram: 308%
- increased email subscriptions to Perth Theatre Trust by 50% to reach 50,000 patrons



Chairman's report

For the past year and a half, the Trust has been bedding down its new management and operations model.

Beyond the clear economic advantages returned to the Trust and to the State by the new model with significant savings in running the venues being made, one of the most important aspects of the change is the return of control and influence on the State's cultural ecology to the people of Western Australia.

The Trust is much more than an infrastructure and maintenance company for the State's premier performing arts venues, although it does that too: it plays a significant and necessary role in facilitating, orchestrating and promoting the use of our theatres by the resident companies and external hirers. The role of steward and custodian of not just the venues themselves but what occurs within the venues is taken most seriously by me, the Board and staff of the Trust as a whole.

Moving the Trust from an organisation which saw the majority of its functions outsourced to a third-party contractor to one which is self-actualised and self-reliant has not been without its challenges. I take this opportunity to thank our former Acting General Manager, Rudi Gracias and our former Chair, the Honourable Peter Blaxell for their tireless and valuable work in bringing about this much needed change.

In a time of financial constraints the Trust has endured reductions in staff and we thank all our staff for their resilience and hard work and contribution to the arts. The Trust is proud to have not just made savings across our theatres and continued to run them well with many sold-out performances across a vast range of performances and venues, but to have completed several large-scale projects including the glorious façade lighting of the exterior and upgrade of essential building services of His Majesty's Theatre. Further improvements to all of our venues are constantly being made wherever possible.

Now that we have a new management and operations model, the Trust is looking forward to the future: we are planning for the new role of the Trust in a truly collaborative performing arts framework which aims to see our major partners and resident companies sharing their combined intellectual capital in how best to optimise our venues for the collective benefit of all.

I thank the entire Board of the Trust for their support of me and of our collective vision for the future, and I thank our General Manager Duncan Ord, who brings his enthusiasm, dedication and deep knowledge of the sector to every aspect of the Trust.

We are excited about the possibilities that the new collaborative approach may achieve for building new audiences, for excellence in customer service, for vibrancy and activation of our venues and ultimately for a greater cultural return to the public of Western Australia. I personally look forward to working closely with all our stakeholders as we aim to bring Perth's performing arts to new heights of achievement and success.

Mr Morgan Solomon
Chairman

General Manager's report

On 14 March 2016 I took over as the General Manager of the Perth Theatre Trust (PTT).

This followed an intensive State Government economic review process which identified that this role had been previously held by the Director General of the Department of Culture and the Arts (DCA); and that to meld the two roles would reduce expenditure.

I thank Rudi Gracias, who had been acting in the position for the past three years, for his hard work, and for steering the organisation through the transition of management from AEG Ogden (Perth).

Taking on this role sees me return to the theatre, which I have been a part of for over 30 years, having begun my career in theatrical lighting design.

It also allows for the Trust and the Department to work closely in a way that has not been possible for fifteen years, and which I believe will allow the Trust to offer much more to the arts sector in WA.

As part of this new arrangement the two agencies are working closely together to review the ticketing arrangements for the Trust venues. This project will run through into 2017.

DCA has also taken over the facilities management of the Trust buildings and, having incorporated experienced PTT staff into their team, they are now well equipped to manage the special needs of our venues.

In 2015/16 PTT also introduced new systems to reduce double handling and improve efficiencies. These changes have covered payroll, finance and IT.

With these issues resolved the transition of business will be complete and PTT will be able to report to Cabinet on our management model by the due date of December 2017.

I want to thank the staff for their patience through a number of changes and congratulate them on their performance which saw PTT named as one of the Auditor General's *Best Practice Top 20 Small Agencies*.

The Trust is on track to continue to deliver excellent performances to the West Australian public and we look forward to the coming year.

Mr Duncan Ord OAM
General Manager

Perth Theatre Trust results at a glance

Operating Expenditure: \$18.7million

Revenue: \$6.8million

Funding from State Government:
\$14.5million

**Total number of performances or events at
Trust venues in 2015/2016:** 1,210

**Total number of attendances at Trust
venues in 2015/2016:** 463,213

Total number of PTT supported events: 325

**Total number of attendances
at PTT supported events:** 57,358

Venue statistics:

Albany Entertainment Centre

168 performances, attended by 32,572 patrons

His Majesty's Theatre

197 performances, attended by 92,490 patrons

Perth Concert Hall

186 performances, attended by 200,170 patrons

State Theatre Centre of WA

521 performances, attended by 122,221 patrons

Subiaco Arts Centre

138 performances, attended by 15,760 patrons



Overview of the agency

Vision

Is to have vibrant, full theatres

Mission

Is to offer wide-ranging arts experiences in well-managed venues

Agency profile

Perth Theatre Trust is responsible for the care, control, management, maintenance, operation and improvement of theatres under its control.

The venues currently managed by the Trust are:

- His Majesty's Theatre (Government owned)
- State Theatre Centre of WA (Government owned)
- Subiaco Arts Centre (leased from the City of Subiaco)
- Albany Entertainment Centre (Government owned).

The Trust leases the Perth Concert Hall from the City of Perth. This venue is managed by WA Venue and Events Pty Ltd.

Enabling legislation

The Perth Theatre Trust is a statutory authority established and constituted under the *Perth Theatre Trust Act 1979*

Responsible Minister

The Hon. John Day MLA Minister for Culture and the Arts.

Other key legislation impacting on Perth Theatre Trust's Activities

In the performance of its functions, Perth Theatre Trust complies with the following relevant written laws:

- *Auditor General Act 2006*
- *Contaminated Sites Act 2003*
- *Disability Services Act 1993*
- *Equal Opportunity Act 1984*
- *Financial Management Act 2006*
- *Freedom of Information Act 1992*
- *Industrial Relations Act 1979*
- *Minimum Conditions of Employment Act 1993*
- *Occupational Safety and Health Act 1984*
- *Public Sector Management Act 1994*
- *Salaries and Allowances Act 1975*
- *State Records Act 2000*
- *State Supply Commission Act 1991*

Board of Trustees

Role and operations

The Board consists of eight members appointed by the Governor of Western Australia in Executive Council under Section 5 of the *Perth Theatre Trust Act 1979*. Of these eight members, four are nominated by the Minister for Culture and the Arts, three are nominated by the City of Perth and an ex-officio position is held by the Director General of the Department of Culture and the Arts.

As the Director General is now operating in the dual role of General Manager, the ex-officio position is being filled by the Executive Director, Arts and Cultural Development – Department of Culture and the Arts.

Board meetings are held every two months with an Audit and Finance Committee which meets quarterly.

Morgan Solomon, Chair (Appointed January 2013)

Founding Director at Perth law firm Solomon Hollett Lawyers, Morgan is a lawyer with many years' experience in commercial, business, wills and estates and estate litigation. Morgan was admitted to practice in 2000, commencing work with a national law firm, then taking on the role of Associate, Senior Associate and then Director at one of Western Australia's leading midsized law firms before opening his own firm in 2015.

As one of the State's leading legal practitioners in his fields of commercial and estates, Morgan regularly speaks to industry and media about complex issues within the law, legal trends and the impact on Australians and Australian business. In recent years Morgan has held the positions of both Vice Chair and then Chairman of the Law Australasia group of leading independent law firms across Australia.

A third generation West Australian lawyer, Morgan also takes an active role in the State's cultural community having studied fine arts for four years before his studies in law. Morgan is also a Founding Member of the WA Chamber of Culture and the Arts, sits on the Board of the Prostate Cancer Foundation and is a former Board member of FORM.

Morgan was appointed Chair of the Trust in January 2016.

Cr Jim Adamos (Appointed January 2012)

Jim Adamos was elected to the City of Perth as a Councillor in October 2011. Cr Adamos has been a long-term resident of the city. He is married with two young children and has worked and owned businesses in the city for over 25 years.

Cr Adamos is a member of the Council's Marketing, Sponsorship, International Relations and Employment committees and an alternate member of the Perth Development Assessment Panel. He was also a Councillor of Tamala Park Regional Council and was previously a Board Member of the Perth Convention Bureau.



Cr Janet Davidson OAM JP (Appointed January 2008)

Janet Davidson holds a Master's Degree in Management from UWA, a GAICD (Graduate of the Australian Institute of Company Directors) and is also a trained teacher. Cr Davidson is a member of the Australian Institute of Management and Australian Institute of Company Directors. She is a Justice of the Peace and an Ambassador for the Year of the Outback.

Cr Davidson was elected to the City of Perth in 1998 and Chairs the Finance and Budget Committee and Audit Committee. She was elected Deputy Lord Mayor in 2011 and also held the position in 2009. She is also the Executive Officer to the WA Regional Office/Committee of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists. Her membership includes: Library Board of WA (former Chairman), the Australia Day Council of WA, Local Chambers Perth City Executive Committee and WA Local Government Association State Councillor. Cr Davidson is a Board Member (previous National Vice President) for Australian Local Government Women's Association and sits on the Australian Local Government Association Board as the ALGWA representative.

Max Kay AM CitWA AM (Appointed April 2011)

Max arrived in Perth from Scotland in 1967 and opened the Civic Theatre Restaurant where he wrote, produced and performed in his own shows. Max wrote and performed comedy scripts, radio and television commercials and is a lifelong member of Equity and the Music Arrangers Guild of Australia.

He was awarded Citizen of the Year for the Arts Culture and Entertainment category in 2001 and in 2003 he was awarded an Order of Australia (AM) for his work in many charities and community projects.

He is the President of the National Trust (WA), and a Board Member of St Bartholomew's Foundation for the Homeless, the Swan Bells Foundation, Board Member Prostate Cancer Foundation and presenter on Curtin Radio 100.1 FM. He is also Past Chairman of the Council of the Sir David Brand School and Patron of Christ Church Midnite Youth Theatre Company and The Gilbert and Sullivan Society.

Michelle Tremain (Appointed August 2014)

Michelle has been with PricewaterhouseCoopers (PwC) for 20 years - 10 of which as a partner heading up the GST team in Perth. Specialising in goods and service tax, Michelle brings substantial knowledge and experience to this key area on behalf of her many clients across a variety of sectors, including retail, finance, property and government. Michelle is actively involved at a national level as PwC's national GST Government and Not-for-Profit sector leader.

Julian Donaldson (Appointed May 2016)

Julian is Chief Executive Officer of the National Trust of Australia (WA). Prior to this Julian was the Chief Executive of the Perth International Arts Festival. During his tenure with PIAF, the festival grew its audience, artistic influence, reputation, community reach, and won substantial increases in sponsorship and funding. Whilst the time Julian was with PIAF witnessed a richly textured festival, a highlight for the community was his leadership in winning funding to achieve the long held ambition to bring Royal Deluxe's *The Giants* to Perth in 2015.

Julian brings broad experience in governance and management in both the cultural and commercial sectors.

**Colin Walker - Ex Officio
(Appointed May 2016)**

Colin Walker is the Executive Director, Arts and Cultural Development at the Department of Culture and the Arts (DCA).

Prior to joining the Department Colin was Director, Arts & Business in the UK and consultant to the UK National Endowment for Science, Technology and the Arts (NESTA) for its Fellowship and Cultural Leadership programs. He has acted as an arts sponsorship consultant to a range of international brands and many of the most recognisable arts institutions in the UK.

**The Hon. Peter Blaxell, Past Chair
(January 2013 – December 2015)**

The Hon. Peter Blaxell graduated with a Bachelor of Laws from The University of Western Australia (UWA) in 1967. He was an articled Clerk then Solicitor and Partner at Lavan & Walsh from 1967 to 1974. He was Coordinator of the Law Society's Legal Assistance Scheme from 1974-1975 and established the Kununurra office of the Aboriginal Legal Service in 1975.

He joined the Independent Bar in 1975 practising solely as a Barrister until 1991. He was a Judge of the District Court of WA from 1991 to 2005, and for several years was Judge in charge of the Civil List. Judge Blaxell was appointed to the Supreme Court of WA in 2005, and in 2007 became Judge in charge of the Criminal List. He retired from the Bench in 2011.

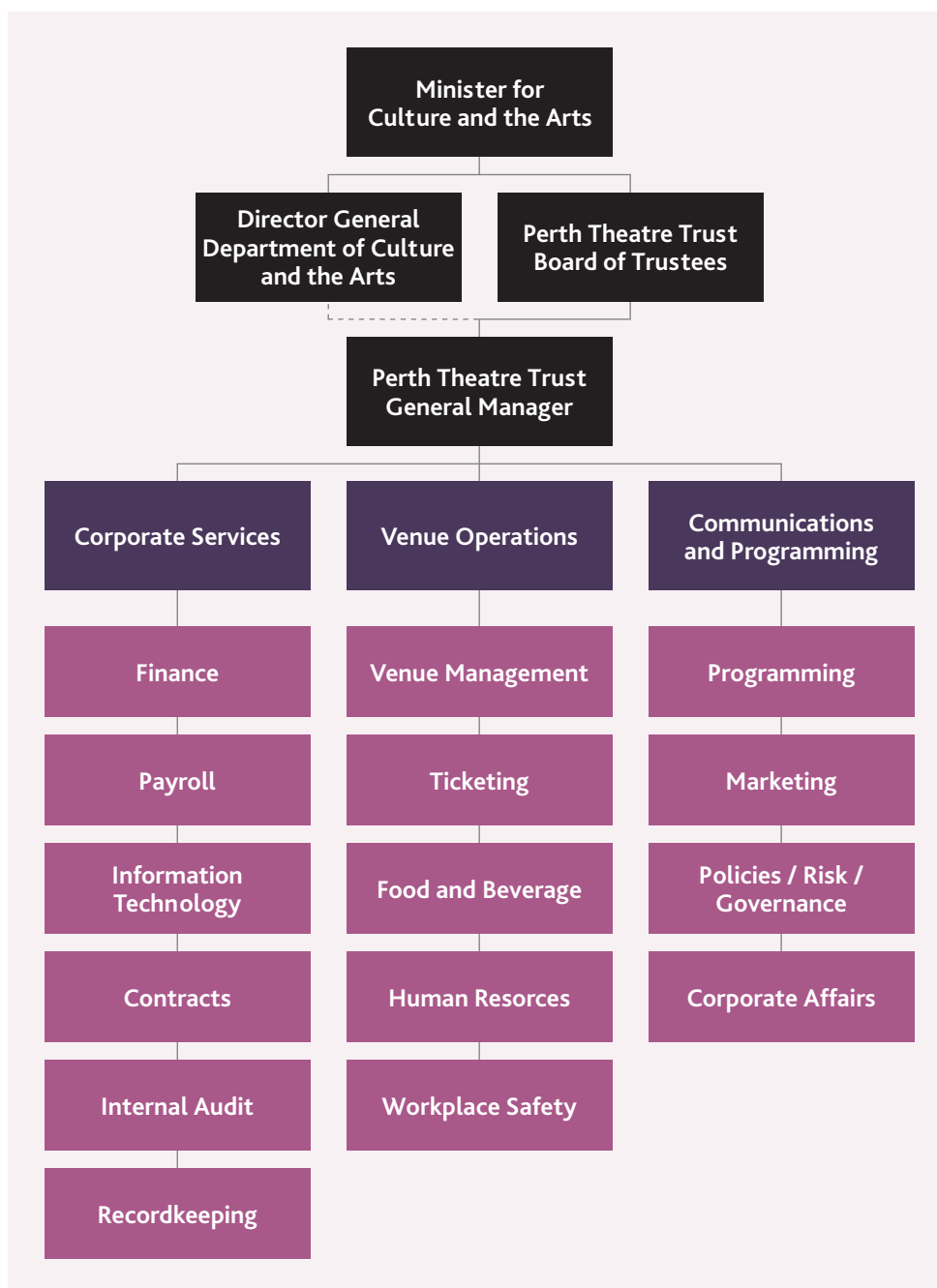
He was an inaugural Trustee of the Special Air Service Resources Trust in 1996 and replaced Hon. David Malcolm AC QC as Chairman in 2010.

**Rob Butler
(Appointed September 2003 –
December 2015)**

Rob Butler has 20 years of local government experience both as a Councillor and former Deputy Mayor, City of Subiaco. He is currently WA Executive Director of three successful manufacturing and supply companies servicing the mining, oil, gas and general engineering industries throughout Australia.

Mr Butler was a former Director of the Hole in the Wall Theatre and the WA State Theatre Company. He was elected to the City of Perth in May 2003. He was Chairman of the City of Perth Planning Committee, and a member of the Audit and Finance Committee. Mr Butler is an active member on many Boards including, Perth Local Chambers, and has been the WA Local Government representative Central Zone for the City of Perth.

Organisational chart



Senior officers

General Manager
Mr Duncan Ord OAM

Director Venue Operations
Mr Glenn Hall BBus, AVM

Director Corporate Services
Mr Panganayi Machukera CPA, FCCA

Manager Communications and Programming
Ms Shauna Weeks BA (Eng.)



Agency Performance

Agency performance against strategic goals

As part of the transition to a new operating model, the Trust developed a new strategic plan for 2015-2017. The Trust is guided by six strategic areas which are fundamentally aligned with Perth Theatre Trust's Vision and Values. These are: Relationships; Audiences; Customer Experience; Vibrancy; Venue Improvement and Economic Viability.

Progress in these areas are as follows:

Strategic Objective 1: Relationships **To strengthen and build strategic partnerships which achieve greater outcomes for stakeholders and audiences.**

Achievements against this strategic objective during the reporting year included:

- A strengthened relationship with Artrage with the inclusion of His Majesty's Theatre and Subiaco Arts Centre in the 2016 Fringe World Festival.
- The opportunity for WA Academy of Performing Arts (WAAPA) students to use the State Theatre Centre of WA as well as supporting the Radio Active program in Albany.
- WAAPA's Contemporary Music course took up residency in Albany for a week using the Albany Entertainment Centre as a base and worked extensively with music students from Albany Senior High School and Great Southern Grammar culminating in a combined concert at the Centre.
- Hosting Strut Dance's workshop for local and national choreographers with sound designers and composers at State Theatre Centre of WA.
- Improved relationships with WA Symphony Orchestra and the City of Perth through the new rental arrangements at Perth Concert Hall.

- The Subiaco Theatre Festival provided four production companies with the opportunity to work with the Subiaco Arts Centre and build their audiences whilst creating strong relationships with local businesses.
- Albany Entertainment Centre's presentation of Opera Australia's *The Magic Flute* featured a local chorus of 24 school children.

Strategic Objective 2: Audiences **To build new audiences while continuing to service existing patrons.**

Achievements against this objective during the reporting year included:

- Increased audiences attending a revitalised Downstairs at The Maj season.
- Working with young cabaret artists to attract a younger audience to His Majesty's Theatre.
- Comedy Lounge audiences at His Majesty's Theatre consistently reached over 90% capacity.
- Sell-out season of Bell Shakespeare's *Hamlet* at the State Theatre Centre of WA.
- WA Youth Theatre Company performance of *CRAVE* in Rehearsal Room 1 at the State Theatre Centre of WA.
- Improved attendances at the Subiaco Theatre Festival.
- A sell-out season of *Jazz at Lincoln Center Orchestra with Wynton Marsalis* at the Albany Entertainment Centre as part of Perth International Arts Festival's Great Southern Festival 2016.
- 2,519 people visited the Museum of Performing Arts, with the collection reaching a total of 43,000 catalogued items.

Strategic Objective 3: **Customer experience** **To provide excellent customer experiences.**

Achievements against this objective during the reporting year included:

- A new exhibition space for local artists to display their work was created at His Majesty's Theatre.
- A historical exhibition developed as part of the Heritage and Open House days at His Majesty's Theatre.
- Regular exhibitions through Museum of Performing Arts (MOPA) including *Brush up your Shakespeare* to coincide with the 400th anniversary of Shakespeare's death.
- Provision of a free, high-standard event to a young audience through Courtyard Club at State Theatre Centre of WA.
- Internal signage upgraded at His Majesty's Theatre and Subiaco Arts Centre.
- A full re-training of all venue staff at State Theatre Centre of WA.
- Carpets deep cleaned at all venues.
- Refurbishment of the bars at Perth Concert Hall.
- Ambient lighting installed in foyers at State Theatre Centre of WA.
- Transformation of foyers at Subiaco Theatre Festival 2016.
- Links to local restaurants at Subiaco offering discounts to patrons.
- New sound upgrades at Subiaco Arts Centre.
- View Restaurant at Albany Entertainment Centre received a *TripAdvisor Certificate of Excellence* acknowledging the consistently high rating reviews lodged by restaurant diners on the website.

Strategic Objective 4: Vibrancy **To create a vibrant and flexible working and artistic environment.**

Achievements against this objective during the reporting year included:

- Engagement with WA Youth Jazz Orchestra to provide an opportunity for upcoming artists to perform in prominent venue.
- Provided opportunities for local artists through the Morning Melodies, Subiaco Theatre Festival and Downstairs at The Maj programs.
- Utilisation of gaps in the venue calendars to provide access to first-time and community hirers.
- Working with, and supporting a number of independent artists and small companies through the provision of rehearsal and development space.
- Created a two year agreement with DADAA to offer opportunities for artists living with disabilities to access the Trust venues, and for Trust staff to gain awareness and training.
- Installation of dinosaur skeletons and meteorites from the WA Museum in the Perth Concert Hall foyers, whilst the WA Museum is closed for renovations.
- WA Symphony Orchestra musicians encouraged to utilise Perth Concert Hall foyers to practise.
- Corporate Challenge shuffleboard on the Perth Concert Hall Terrace Forecourt every Thursday lunchtime in August and September.
- Wesfarmers Art Collection at the Perth Concert Hall has been refreshed quarterly, with some new selections from the collection.
- In a first for the Albany Entertainment Centre, the technical staff constructed a 180-seat theatre in the round on the stage of the Princess Royal Theatre to stage Jonny Donahoe's one man show *Every Brilliant Thing* from the UK as part of Perth International Arts Festival's Great Southern Festival.

Strategic Objective 5: Venue improvement

To achieve the highest possible standard in quality and maintenance of infrastructure.

Achievements against this objective during the reporting year included:

His Majesty's Theatre

- Completion of Stage Two of the essential services project.
- Improvement of backstage areas with new carpets and painting.
- Improvement of the orchestra assembly room.
- Refurbishment of Downstairs at The Maj space.
- Lighting of the façade with energy efficient lighting which will be lit every night from 6pm-6am daily.

State Theatre Centre of WA

- Replaced the sacrificial floors in the Studio Underground, parts of Heath Ledger stage and both Rehearsal Rooms.
- Purchased four LED moving lights to be used for productions and rehearsals in the Rehearsal Rooms, increasing hire options.
- Continuing the changeover of lighting to LED light fixtures in the front of house areas.

Perth Concert Hall

- Building Management System reprogrammed to become more energy efficient.
- Major maintenance and upgrade works including café and office spaces.
- WA Symphony Orchestra orchestral management office redecorated.
- Tree planters placed in areas of risk for vehicles on forecourts, replacing traffic cones.
- Car Park Auditorium entrance enhanced with repainting, poster boxes and lighting.
- Repair of the tile mural in the main entrance foyer.
- Tactile paving replacement on the Riverside Forecourts.

Subiaco Arts Centre

- Upgrade to lighting and sound system.
- Improved directional and venue signage.
- Replacement of carpets in the Undercroft.
- Painting and repairs across the venue.

Albany Entertainment Centre

- Albany Entertainment Centre received \$24,638 for Minor Equipment funding as part of the Creative Regions scheme to upgrade regional venues. This was matched by funding from the City of Albany and the Trust to purchase new stage lights and audio speakers for use across the venue.

Strategic Objective 6:
Economic viability
To maintain and enhance our economic viability.

Achievements against this objective during the reporting year included:

- Profitable outcome from the Downstairs at The Maj and Morning Melodies seasons at His Majesty's Theatre.
- Additional revenue raised from successful programming.
- Increased Food and Beverage income at Perth Concert Hall.

- Maintenance contracts brought in-house.
- Perth Concert Hall and Metropolitan Redevelopment Authority working on activation and avoidance of event date crossovers.
- The Subiaco Box Office was closed to reduce costs and ensure the profitability of the ticketing business.
- The Albany Entertainment Centre's function business is being developed to drive conferences into the Centre.





Events with Perth Theatre Trust support

Date	Event/Show	Producer	Performances	Attendance
Albany Entertainment Centre				
25 July 2015	The Girls in Grey	Perth Theatre Trust	2	338
1 August 2015	Australia Day	HIT Productions	1	190
6 August 2015	Hamlet	Bell Shakespeare	1	418
13 August 2015	The Magic Flute	Australian Opera	1	539
9 September 2015	Dylan Thomas: Return Journey	Merrigong Theatre	1	199
13 October 2015	Alchemy featuring Ali McGregor	Perth Theatre Trust	1	94
13 October 2015	Jazzamatazz featuring Ali McGregor	Perth Theatre Trust	1	85
21 October 2015	Great White	Performing Lines WA	1	146
23 October 2015	Fiddlesticks	Musica Viva	1	140
19 January 2016- 2 February 2016	ACO Virtual	Australian Chamber Orchestra	15	1,004
5 March 2016	Five by Night	WA Ballet	2	738
8 April 2016	Judith Lucy - Ask No Questions of the Moth	Token Events	1	475
23 April 2016	Bobby Fox's 4 Seasons in One Night	Working Management Pty Ltd	1	296
29 April 2016	ACO Collective - The Four Seasons	Australian Chamber Orchestra	1	450
4 May 2016	Brodsky Quartet & Katie Noonan - With Love & Fury	Orchestral Manoeuvres Pty Ltd	1	232
10 June 2016	Melbourne Comedy Festival Roadshow	Melbourne International Comedy Festival	1	620

Date	Event/Show	Producer	Performances	Attendance
His Majesty's Theatre				
3-4 July 2015	Desperately Young at Heart	Perth Theatre Trust	2	238
10 July 2015- 10 June 2016	Comedy Lounge	Perth Theatre Trust	7	779
20-22 August 2015	Dedications	Perth Theatre Trust	3	360
26 August 2015- 16 December 2015	Morning Melodies	Perth Theatre Trust	2	1,374
5 September 2015	Barry Morgan's Organ	Perth Theatre Trust	2	259
24-26 September 2015	Adolescent	Perth Theatre Trust	4	493
2 October 2015	Stand Up! For Comedy	Western Australian Mental Health Association and Perth Theatre Trust	1	1,196
18 October 2015	Heritage Day	Heritage Perth	1	414
22-24 October 2015	Dave Warner & Friends	Perth Theatre Trust	3	392
29-31 October 2015	Fancy Meeting You	Perth Theatre Trust	3	390
18-21 November 2015	Go Your Own Way	Perth Theatre Trust	3	394
26-28 November 2015	City So Nice They Named it Twice	Perth Theatre Trust	3	341
20-22 May 2016	Mark Wilkinson	Perth Theatre Trust	3	378
26-28 May 2016	Nailed it!	Perth Theatre Trust	3	175
2-4 June 2016	Phelan Groovy	Perth Theatre Trust	3	216
15 June 2016	Starman	Perth Theatre Trust	1	753
17-19 June 2016	This Girl - Rachael Beck	Perth Theatre Trust	3	361
30 June 2016	Steve Ross - I Can't Dance	Perth Theatre Trust	1	100

Date	Event/Show	Producer	Performances	Attendance
State Theatre Centre of WA				
12-15 August 2015	Hamlet	Bell Shakespeare Company and Perth Theatre Trust	6	3,365
5-10 October 2015	Rain	Awesome Arts and Perth Theatre Trust	15	237
6-9 October 2015	La La Luna	Awesome Arts	5	1,275
10-16 October 2015	Carnival of the Animals	Awesome Arts and Perth Theatre Trust	10	1,981
22-23 October 2015	CircuitWest Conference	Perth Theatre Trust	2	80
28 October 2015-1 November 2015	Re:Loaded	Co3	5	1,844
30 October 2015-18 December 2015	The Courtyard Club	Perth Theatre Trust and RTRFM	8	3,125
1-14 November 2015	Strut Workshops	Strut	1	30
6-7 November 2015	WAM Conference	West Australian Music Industry Association	2	254
8 November 2015	Open House	Open House	1	388
2-3 December 2015	Tracksuit	DADAA and Perth Theatre Trust	3	212
22 January 2016-20 February 2016	The Gold Digger	Perth Theatre Trust and FringeWorld	78	10,359
1 February - 31 March 2016	Perth International Arts Festival	Perth International Arts Festival	83	15,609
4-5 May 2016	In My Shoes	DADAA and Perth Theatre Trust	4	176

Date	Event/Show	Producer	Performances	Attendance
Subiaco Arts Centre				
1-4 July 2015	Independent Theatre Festival	Perth Theatre Trust	4	303
19 April 2016	Bobby Fox's 4 Seasons in One Night	Perth Theatre Trust	1	270
14 May 2016	Mr Clicketty Cane plays Chopsticks	Peter Combe	1	252
8 June 2016- 29 June 2016	Subiaco Theatre Festival	Perth Theatre Trust	15	1,389
Perth Concert Hall				
26 April 2016	Performing Arts Perspectives	Performing Arts Perspectives	1	1,630
TOTAL			325	57,356



Performance diversity

	2015-2016		2014-2015		2013-2014	
	Performances	%	Performances	%	Performances	%
Ballet/Dance	106	9%	115	9%	115	10%
Children's Performances	128	11%	140	11%	136	12%
Classical Music	99	8%	66	5%	108	10%
Comedy/Music Comedy	172	14%	204	16%	107	10%
Concerts - Rock/Pop/Jazz/Folk	100	8%	92	7%	86	8%
Conferences/Meetings	73	6%	60	5%	65	6%
Dance Schools	7	1%	4	0%	4	0%
Drama (plays)	272	22%	440	34%	335	30%
Musicals	61	5%	26	2%	38	3%
Opera	21	2%	29	2%	23	2%
Other	99	8%	78	6%	65	6%
Religious Meetings	-	0%	-	0%	1	0%
School Performances	28	2%	14	1%	12	1%
Speech/Graduation Nights	34	3%	28	2%	24	2%
Subiaco Community Concerts	10	1%	2	0%	2	0%
TOTAL	1,210	100%	1,298	100%	1,121	100%

*2014/15 figures updated to include all Perth Concert Hall data



Venue Management reports

Perth Concert Hall

Main Spaces Usage	2015-2016		2014-2015	
	Events	Attendance	Events	Attendance
Main Auditorium	155	189,322	143	183,496
Wardle Room	14	2,452	21	5,883
Balcony/Verandah/Forecourt	15	8,103	0	-
Foyer and Other Spaces	2	291	13	8,164
Total	186	200,170	177	197,543

Main Auditorium	2015-2016			2014-2015		
	Total Performances	Total Attendance	% Capacity	Total Performances	Total Attendance	% Capacity
Ballet/Dance	0	0	0%	2	768	22%
Children's Performances	6	8,325	80%	41	51,989	73%
Classical Music	75	85,975	67%	50	64,265	74%
Comedy/Music Comedy	7	10,575	87%	2	2,472	71%
Rock/Pop/Jazz/Folk	32	39,447	71%	13	18,999	85%
Conferences/Meetings	4	3,750	54%	1	540	31%
Dance Schools	0	0	0%	1	1,354	78%
Theatre	0	0	0%	1	500	29%
Music Theatre	1	440	25%	1	1,500	87%
Opera	1	1,614	93%	0	-	0%
Other	8	10,507	76%	7	8,307	69%
Religious Meetings	0	0	0%	0	-	0%
School Performances	6	8,609	83%	6	7,358	71%
Education/Academic/ Graduation Events	15	20,080	77%	18	25,444	82%
Total	155	189,322	71%	143	183,496	74%

Wardle Room	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	7	1,896	11	3,365
Other	7	558	10	2,518
Balcony/Verandah/ Forecourt	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	1	600	0	-
Other	14	7,503	0	-
Foyer and Other Spaces	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	1	250	1	50
Other	1	41	12	8,114
F&B Non-Show Related	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
	59	9,264	68	8,019

*2014/15 figures updated to include all Perth Concert Hall data



His Majesty's Theatre

Main Spaces Usage	2015-2016		2014-2015	
	Events	Attendance	Events	Attendance
Main Auditorium*	101	82,437	112	97,389
Downstairs at The Maj	96	10,053	64	7,325
Dress Circle & other	0	-	0	-
Total	197	92,490	176	104,714

Main Auditorium	2015-2016 Total Performances	2015-2016 Total Attendance	% Capacity	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity
Ballet/Dance	54	44,884	67%	59	50,624	72%
Children's Performances	0	-	0%	0	-	0%
Classical Music	0	-	0%	0	-	0%
Comedy/Music Comedy	14	11,130	64%	12	10,577	73%
Rock/Pop/Jazz/Folk	3	2,062	55%	0	-	0%
Conferences/Meetings	1	560	45%	0	-	0%
Dance Schools	4	4,263	86%	0	-	0%
Theatre	0	-	0%	18	13,277	61%
Music Theatre	4	3,672	74%	2	1,662	69%
Opera	16	12,649	64%	18	17,766	82%
Other	5	3,217	52%	1	1,196	100%
Religious Meetings	0	-	0%	0	-	0%
School Performances	0	-	0%	0	-	0%
Education/Academic/ Graduation Events	0	-	0%	2	2,287	95%
Total	101	82,437	66%	112	97,389	72%

Downstairs at The Maj	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	96	10,053	64	7,325
Other	0	-	0	-
Dress Circle Bar & Foyer	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	0	-	0	-
Other	0	-	0	-
F&B Non-Show Related	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
HMT	1	180	29	1,691

*Closure of the main stage for major works occurred from December 2015 - April 2016



State Theatre Centre of WA

Main Spaces Usage	2015-2016		2014-2015	
	Events	Attendance	Events	Attendance
Heath Ledger Theatre	219	85,437	260	112,592
Studio Underground	127	17,849	173	26,214
Courtyard	92	14,196	138	23,360
Rehearsal Rooms	65	2,874	37	1,687
Foyers and other spaces	18	1,865	8	320
Total	521	122,221	616	164,173

Heath Ledger Theatre						
	2015-2016 Total Performances	2015-2016 Total Attendance	% Capacity	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity
Ballet/Dance	24	9,726	70%	14	6,475	80%
Children's Performances	38	14,276	65%	42	18,686	77%
Classical Music	0	0	0%	0	-	0%
Comedy/Music Comedy	8	3,410	74%	9	4,745	92%
Rock/Pop/Jazz/Folk	1	400	70%	0	-	0%
Conferences/Meetings	1	457	79%	3	1,521	88%
Dance Schools	0	0	0%	0	-	0%
Theatre	99	36,951	65%	163	68,529	73%
Music Theatre	17	7,605	78%	0	-	0%
Opera	0	0	0%	3	901	52%
Other	25	10,648	74%	25	11,160	78%
Religious Meetings	0	0	0%	0	-	0%
School Performances	4	1,344	58%	1	575	100%
Education/Academic/ Graduation Events	2	620	54%	0	-	0%
Total	219	85,437	68%	260	112,592	75%

Studio Underground						
	2015-2016 Total Performances	2015-2016 Total Attendance	% Capacity	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity
Ballet/Dance	15	1,432	38%	23	2,347	41%
Children's Performances	42	6,313	60%	1	246	98%
Classical Music	0	0	0%	1	86	34%
Comedy/Music Comedy	0	0	0%	0	-	0%
Rock/Pop/Jazz/Folk	1	212	85%	1	225	90%
Conferences/Meetings	5	378	30%	3	474	63%
Dance Schools	0	0	0%	0	-	0%
Theatre	46	5,642	49%	127	20,598	65%
Music Theatre	0	0	0%	0	-	0%
Opera	0	0	0%	8	1,124	56%
Other	5	1,376	110%	8	1,015	51%
Religious Meetings	0	0	0%	0	-	0%
School Performances	13	2,496	77%	0	-	0%
Education/Academic/ Graduation Events	0	0	0%	1	99	40%
Total	127	17,849	56%	173	26,214	61%

Courtyard	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	88	13,861	135	21,692
Other	4	335	3	1,668
Rehearsal Rooms	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	60	2,720	33	1,087
Other	5	154	4	600
Foyers and other spaces	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	4	1,171	0	-
Other	14	694	8	320
F&B Non-Show Related	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
STCWA	79	8,026	50	5,983

Albany Entertainment Centre

Main Spaces Usage	2015-2016		2014-2015	
	Events	Attendance	Events	Attendance
Princess Royal Theatre	76	26,486	95	35,126
Kalyenup Studio	61	4,300	39	2,432
Harbourside Foyer	31	1,786	29	1,703
Total	168	32,572	163	39,261

Princess Royal Theatre						
	2015-2016 Total Performances	2015-2016 Total Attendance	% Capacity	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity
Ballet/Dance	2	738	60%	7	2,763	64%
Children's Performances	1	91	15%	8	2,967	60%
Classical Music	18	4,862	44%	15	3,387	36%
Comedy/Music Comedy	3	1,377	74%	7	3,230	74%
Rock/Pop/Jazz/Folk	28	11,538	67%	34	14,919	71%
Conferences/Meetings	2	728	59%	6	1,363	37%
Dance Schools	2	994	80%	3	1,729	93%
Theatre	9	1,784	32%	6	1,391	37%
Music Theatre	3	1,679	91%	1	379	61%
Opera	4	1,601	65%	0	-	0%
Other	2	624	50%	4	1,837	74%
Religious Meetings	0	0	0%	0	-	0%
School Performances	0	0	0%	0	-	0%
Education/Academic/ Graduation Events	2	470	38%	4	1,161	47%
Total	76	26,486	56%	95	35,126	60%

Kalyenup Studio						
	2015-2016 Total Performances	2015-2016 Total Attendance	% Capacity	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity
Ballet/Dance	0	0	0%	0	-	0%
Children's Performances	2	62	16%	0	-	0%
Classical Music	0	0	0%	0	-	0%
Comedy/Music Comedy	1	78	39%	0	-	0%
Rock/Pop/Jazz/Folk	5	249	25%	11	306	14%
Conferences/Meetings	24	1,886	39%	24	1,625	34%
Dance Schools	0	0	0%	0	-	0%
Theatre	1	53	27%	1	120	60%
Music Theatre	0	0	0%	0	-	0%
Opera	0	0	0%	0	-	0%
Other	24	1,740	36%	2	236	59%
Religious Meetings	0	0	0%	0	-	0%
School Performances	0	0	0%	0	-	0%
Education/Academic/ Graduation Events	4	232	29%	1	145	73%
Total	61	4,300	35%	39	2,432	31%

Harbourside Foyer				
	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	12	1,357	7	877
Other	19	429	22	826
F&B Non-Show Related				
	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
AEC	37	3,175	56	3,586

Subiaco Arts Centre

Main Spaces Usage	2015-2016		2014-2015	
	Events	Attendance	Events	Attendance
Main Auditorium	70	10,969	74	14,804
The Studio	68	4,791	90	6,821
Amphitheatre	0	-	2	400
Total	138	15,760	166	22,025

Main Auditorium	2015-2016			2014-2015		
	Total Performances	Total Attendance	% Capacity	Total Performances	Total Attendance	% Capacity
Ballet/Dance	1	125	41%	0	-	0%
Children's Performances	15	2,018	44%	25	4,172	55%
Classical Music	0	0	0%	0	-	0%
Comedy/Music Comedy	8	1,965	81%	11	2,856	85%
Rock/Pop/Jazz/Folk	1	143	47%	10	2,353	77%
Conferences/Meetings	0	0	0%	1	250	82%
Dance Schools	0	0	0%	0	-	0%
Theatre	25	3,016	40%	7	1,182	55%
Music Theatre	6	783	43%	14	2,953	69%
Opera	0	0	0%	0	-	0%
Other	3	476	52%	0	-	0%
Religious Meetings	0	0	0%	0	-	0%
School Performances	0	0	0%	6	1,038	57%
Education/Academic/ Graduation Events	1	199	65%	0	-	0%
Subiaco Community Concerts	10	2,244	74%	0	-	0%
Total	70	10,969	51%	74	14,804	66%

The Studio	2015-2016 Total Performances	2015-2016 Total Attendance	% Capacity	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity
Ballet/Dance	0	0	0%	0	-	0%
Children's Performances	0	0	0%	11	497	38%
Classical Music	0	0	0%	0	-	0%
Comedy/Music Comedy	0	0	0%	22	1,671	64%
Rock/Pop/Jazz/Folk	0	0	0%	0	-	0%
Conferences/Meetings	0	0	0%	0	-	0%
Dance Schools	0	0	0%	0	-	0%
Theatre	54	3,949	66%	42	3,301	66%
Music Theatre	8	827	86%	8	744	78%
Opera	0	0	0%	0	-	0%
Other	0	0	0%	7	608	73%
Religious Meetings	0	0	0%	0	-	0%
School Performances	0	0	0%	0	-	0%
Education/Academic/ Graduation Events	6	15	2%	0	-	0%
Subiaco Community Concerts	0	0	0%	0	-	0%
Total	68	4,791	62%	90	6,821	64%

Amphitheatre	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
Performance	0	0	2	400
Other	0	0	0	0
F&B Non-Show Related	2015-2016 Usage	2015-2016 Attendances	2014-2015 Usage	2014-2015 Attendances
SAC	4	469	8	229

Significant issues impacting the agency

Perth Theatre Trust (PTT) faces a number of significant issues which may have an impact on the Trust's outcomes and objectives including:

Capital works funding

Operating ageing venues (His Majesty's Theatre 1904, Subiaco Arts Centre 1957 and Perth Concert Hall 1972) and applying modern compliance standards - including OSH and technological improvements - to those venues without significant funding increases will remain the biggest challenge for the Trust.

Stakeholder expectation of the highest levels of audio, lighting and video equipment at the Trust's newest venues, such as the State Theatre Centre of WA, will require provision for timely replacement and upgrades of these items.

The Perth Concert Hall lease

In February 2014 the lease between PTT and the City of Perth for the Perth Concert Hall expired. A Transitional Management Agreement is now in place with the management of the Hall through WA Venues and Events; a subsidiary of WA Symphony Orchestra.

Negotiations on the long-term management of the Concert Hall are progressing with the City of Perth.

Future management model and funding of the Albany Entertainment Centre

The State Government, through the Perth Theatre Trust, has agreed to continue to own and operate the Albany Entertainment Centre until 30 June 2017. Ongoing funding of the Centre is the most significant issue and the Trust is continuing to work with the City of Albany on a long-term plan for Centre management and ownership.

Ticketing and CRM review

Following the decommissioning of BOCS Ticketing in 2012 Ticketek was appointed as the new ticketing provider for the Perth Theatre Trust venues.

As this contract is nearing the end of its extension date the Department of Culture and the Arts has undertaken a ticketing review to investigate opportunities in the market, and the model which will best serve the Western Australian theatre industry and its clients. Key stakeholders are being contacted and a tender is being drafted for market.

Auditor General's Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PERTH THEATRE TRUST

Report on the Financial Statements

I have audited the accounts and financial statements of the Perth Theatre Trust.

The financial statements comprise the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Perth Theatre Trust at 30 June 2016 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Trustee's Responsibility for the Financial Statements

The Trustee is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trustee, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Report on Controls

I have audited the controls exercised by the Perth Theatre Trust during the year ended 30 June 2016.

Controls exercised by the Perth Theatre Trust are those policies and procedures established by the Trustee to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Opinion

In my opinion, in all material respects, the controls exercised by the Perth Theatre Trust are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2016.

Trustee's Responsibility for Controls

The Trustee is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility for the Audit of Controls

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Perth Theatre Trust based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Trust complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Perth Theatre Trust for the year ended 30 June 2016.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Opinion

In my opinion, in all material respects, the key performance indicators of the Perth Theatre Trust are relevant and appropriate to assist users to assess the Trust's performance and fairly represent indicated performance for the year ended 30 June 2016.

Trustee's Responsibility for the Key Performance Indicators

The Trustee is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Trustee determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility for the Audit of Key Performance Indicators

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Trustee's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting the above audits, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Perth Theatre Trust for the year ended 30 June 2016 included on the Trust's website. The Trust's management is responsible for the integrity of the Trust's website. This audit does not provide assurance on the integrity of the Trust's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia

31 August 2016

Disclosures and legal compliance

Certification of Performance Indicators

For the year ended 30 June 2016

We hereby certify that the Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Perth Theatre Trust performance, and fairly represent the performance of the Perth Theatre Trust for the financial year ended 30 June 2016.

A handwritten signature in dark ink, appearing to read "J. E. Davidson", written over a horizontal line.

Trustee

Monday, 29 August 16

A handwritten signature in dark ink, consisting of stylized, overlapping loops and strokes, written over a horizontal line.

Trustee

Monday, 29 August 16

Performance Management Framework

The Perth Theatre Trust contributes to the achievement of the Government Goal:

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

The Trust is a statutory authority within the Department of Culture and the Arts Portfolio and is shown under Venue Management Services in the 2015-2016 Budget Papers.

The Key Performance Indicators of the Trust have been developed in accordance with *Treasurers Instruction 904* to evaluate the Trust's performance in achieving the Government Desired Outcomes and to provide an overview of the critical and material aspects of service provision.

Outcome Based Management Framework

The Trust's venue management services contribute to Government Desired Outcome 1:

A creative, sustainable and accessible culture and arts sector.

The Trust's provision of theatres and programming events provides the community with access to cultural experiences and the opportunity to enhance the cultural and economic life of WA.

Report On Operations

Financial Targets	2015-16 Budget	2015-16 Actual	Variance from Budget	
	\$'000	\$'000	\$'000	%
Total Cost of Services (as per Income Statement)	18,516	18,728	212	1.1%
Net Cost of Services (as per Income Statement)	13,026	11,891	-1,135 ⁽¹⁾	-8.7%
Total Equity (as per Statement of Financial Position)	235,978	233,339	-2,639	-1.1%
Approved Salary Expense Limit	7,222	7,386	164	2.3%
Approved Working Cash Limit	695	2,248	1,553 ⁽²⁾	223%

(1) The decrease in the net cost of service was a result of higher than budget own source revenue figures (Budget \$5.5 million vs Actual \$6.8 million). The higher revenue figures were attributable to:

- \$969,000 positive variance for rental income and show recoveries from State Theatre Centre of WA and His Majesty's Theatre due to a higher number of events than initially budgeted for.
- \$200,000 one-off grant from Heritage Perth for the His Majesty's Theatre façade lighting project. This grant was not included in the initial budget.

(2) The higher cash balance at the end of the financial year was mainly due to:

- \$465,000 related to projects that were work in progress at the end of the financial year and committed expenditure like the 27th pay which accrued on the 30th of June but paid out from the bank account in July.
- Delay in the implementation of key projects like the ticketing review and the streamlining of business systems. These projects will now be implemented in 2016-17.
- Higher than budget revenue figures as detailed in (1).

Summary of Key Performance Indicators

The Key Effectiveness Indicators and Key Efficiency Indicators of the Perth Theatre Trust measure the ability of the Trust to increase activity within the venues it manages, providing clearer information to those evaluating performance.

These Indicators align with the Outcome Statement and measure whether the local performance industry is building capacity.

Key Effectiveness Indicators

Key Effectiveness Indicator	2014/15 Actual	2015/16 Budget	2015/16 Actual	Notes and explanation of variances above 10%
OUTCOME 10: Effectively managed performing arts venues attracting optimal utilisation				
Attendance rate across principal performance spaces	528,391	425,495	463,213	

Key Efficiency Indicators

Key Efficiency Indicator	2014/15 Actual	2015/16 Budget	2015/16 Actual	Notes and explanation of variances above 10%
SERVICE 11: Venue Management Services				
Average Cost per Attendee	\$44.80	\$43.20	\$40.43	
Average subsidy per attendee for PTT funded programs	\$9	\$12	\$3.70	The decrease between budget and actual for 2015-16 was a result of a significant reduction in the actual net loss for shows presented by the Trust. PTT has adopted a policy of programming events with an averaged subsidy of approximately \$3 per attendee.

Changes to Outcome Based Management Framework

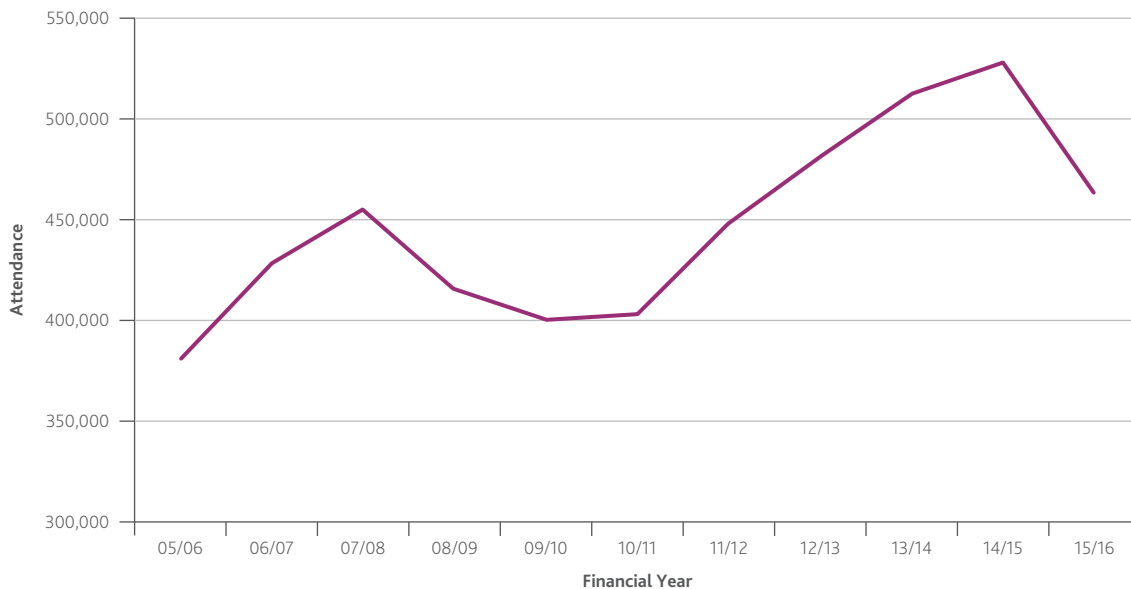
Perth Theatre Trust's Outcome Based Management Framework was implemented in 2015-16.

This included a change from the Key Performance Indicators of previous years to better capture the value of the services provided to the West Australian people and Government.

Additional Key Performance Indicator information

The additional Key Performance Indicator was part of the previous Outcome Based Reporting Framework and has been included for reference with last year's figures. Perth Theatre Trust is in the process of developing a comprehensive reporting framework which is linked to the current strategic objectives.

Attendance rates at Perth Theatre Trust venues



Ministerial directives

No Ministerial directives were received during the financial year.

Other financial disclosures

Pricing policies on services

In accordance with *Treasurer's Instruction 810*, the Trust has the discretion to charge for goods and services subject to Ministerial approval.

Major capital projects

- Stage two of the upgrade to essential building services at His Majesty's Theatre
- Lighting of His Majesty's Theatre façade

Governance disclosures

Conflicts of interest

Declared Conflicts of Interest recorded on minutes (as per standing agenda item – Section 1, Item 1.3)

- Minutes of PTT Board Meeting – 24 February 2016
 - Cr Jim Adamos advised he is on the Board of Shakespeare 400.
 - Cr Jim Adamos and Cr Janet Davidson advised of a potential conflict of interest regarding Perth Concert Hall.
- Minutes of PTT Board Meeting – 21 April 2016
 - Cr Adamos and Janet Davidson declared an interest in items regarding Perth Concert Hall.

Employee information as at 30 June 2016

- Total staff numbers: 193
- FTE: 94.91

Unauthorised use of credit cards

Officers of Perth Theatre Trust hold corporate credit cards where their functions warrant usage of this facility. Despite each cardholder being reminded of their obligations annually under the Trust's credit card policy, two employees inadvertently utilised the corporate credit card for an unofficial purpose. The matter was not referred for disciplinary action as the Chief Finance Officer noted prompt advice and settlement of the personal use amount, and that the nature of the expenditure was immaterial and characteristic of an honest mistake.

- Aggregate amount of personal use expenditure for the reporting period: \$61.54
- Aggregate amount of personal use expenditure settled within 5 working days: \$2.70
- Aggregate amount of personal use expenditure settled after 5 working days: \$58.84
- Aggregate amount of personal use expenditure outstanding at balance date: NIL



Board and committee remuneration

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration
Chair	Peter Blaxell	Nil	Jan 2013-Dec 2015	Nil
Chair	Morgan Solomon	Per meeting	Jan 2013-present (Chair Jan 2016 on)	\$7,290
Member	Jim Adamos	Per meeting	Jan 2012-present	\$2,950
Member	Rob Butler	Per meeting	Sep 2003-Oct 2015	\$1,120
Member	Janet Davidson	Per meeting	Jan 2008-present	\$4,030
Member	Julian Donaldson	Nil	April 2016-present	Nil
Member	Max Kay	Per meeting	April 2011-present	\$3,960
Member	Michelle Tremain	Per meeting	Aug 2014 -present	\$2,950
TOTAL				\$22,300

Other legal requirements

Expenditure on advertising, market research, polling and direct mail

In accordance with section 175ZE of the Electoral Act 1907, the agency incurred the following expenditure in advertising, market research, polling, direct mail and media advertising.

Total expenditure for 2015/16 was \$76,731

Expenditure	Total	Expenditure	Amount
Advertising Agencies	\$70,218	ADCORP	\$2,296
		ANDREW J ADAMS T/A ANDIMAPS	\$750
		CARAT AUSTRALIA MEDIA SERVICES PTY LTD	\$60,948
		THE GREAT SOUTHERN WEEKENDER - ALBANY	\$6,224
Market Research Organisations	NIL	NIL	NIL
Polling Organisations	NIL	NIL	NIL
Direct Mailing Organisations	\$6,513	MAILING SOLUTIONS	\$6,513
Media Advertising Agencies	NIL	NIL	NIL
Total	\$76,731	N/A	\$76,731

Disability Access and Inclusion Plan Outcomes

In line with the Perth Theatre Trust (PTT) Disability Access and Inclusion Plan 2013-17 the following outcomes were achieved:

- A two year Memorandum of Understanding with DADAA was developed to enable disabled performers and their carers better access to Trust venues and to encourage their engagement with PTT as both creative staff and audience members.
- The companion card relationship was embedded within our marketing systems.
- All publications relating to access at the venues are being reviewed and updated.

The following initiatives continued in the venues:

- Audio description services.
- Reduced or removed venue hire for organisations providing a special performance aimed at those living with disability.

Compliance with Public Sector Standards and Ethical Codes

Perth Theatre Trust (PTT) is committed to educating its workforce in the Public Sector Standards in Human Resource Management and the Public Sector Code of Ethics. In the 2015-2016 financial year, PTT recorded:

- No breaches of the Public Sector Standards in Human Resource Management.
- No breaches of the Public Sector Code of Ethics or the Culture and Arts Portfolio Code of Conduct.
- No incidences of misconduct requiring investigation.
- No Public Interest Disclosures lodged.

Record keeping plans

- The Perth Theatre Trust Recordkeeping Plan was approved by the State Records Commission in April 2011. The Plan identifies steps to be taken to maintain and improve recordkeeping by the Trust. This includes the development and regular review of an appropriate retention and disposal schedule, development and implementation of a functional thesaurus and the regular revision of recordkeeping policies and procedures.
- In accordance with the *State Records Act 2000*, the Trust reviewed the Plan in 2016 and determined that it requires amendment. An amended Plan will be developed and submitted to the State Records Commission by 30 June 2017.
- New training schedules for staff and improved induction methods are currently in development.

Freedom of Information

- Under Schedule 2 of the *Regulations of the Freedom of Information Act 1992* the Department of Culture and the Arts coordinates Freedom of Information requests for portfolio agencies including Perth Theatre Trust. As prescribed in Section 96 of the Act, the Department publishes an up to date information page confirming the Department's commitment to the right of all Western Australians to have access to government information for whatever reason they wish. The information page is available on the Department's website and gives details on how a person can apply for access to the Department's documents.

Government policy requirements

Substantive Equality

Perth Theatre Trust (PTT) is committed to the elimination of systemic discrimination, particularly of a racial, cultural and religious nature, from its policies, practices and services. A Substantive Equality Policy covers the Culture and Arts Portfolio and the PTT continues to monitor its activities according to this policy.

A Substantive Equality Reference Committee made up of representatives from each Portfolio agency meets on a needs basis to discuss strategies and policies. A presentation on Substantive Equality forms part of the staff induction program and the policy is available electronically to employees through the Department of Culture and the Arts (DCA) intranet.

The inaugural Portfolio 2016-2018 Substantive Equality Implementation Plan has been adopted by the Portfolio Executive Group.

Occupational safety, health and injury management

Perth Theatre Trust (PTT) has an ongoing commitment to the highest levels of workplace health and safety. PTT is committed to providing and maintaining a healthy and safe working environment for all of its staff members, contractors and visitors.

This is supported through policies, procedures and work practices compliant with the *Occupational Safety and Health Act 1984* and the *Workers Compensation and Injury Management Act 1981*. PTT is committed to assisting staff return to work after a work-related injury or illness.

PTT ensures that all staff have access to the Employee Assistance Program. Staff are made aware of this service at induction, via the DCA intranet, communication from HR and the General Manager.

PTT facilitates Occupational Safety and Health (OSH) consultation through its OSH Committee, the election of safety and health representatives, hazard and incident reporting, and workplace inspections. Staff are made aware of the safety and health processes at their induction and through specific OSH training. OSH information is readily available on the DCA intranet.

PTT was assessed against the Worksafe Plan in 2012, this Worksafe Plan assessment will be conducted again in the 2016-2017 financial year. Additionally, the Trust has recognised all expected consultation mechanisms and has ensured that the continuation of formally elected representatives across all of its performance venues.

Health and safety within PTT is the ongoing responsibility of each employee, and all individuals are expected to play their part in the meaningful contribution of a safe workplace. PTT will continue to reassess and build on this core value, and its current systems and processes through ongoing consultation, strategy development, policy commitment, risk identification, training and performance monitoring and review.

The following initiatives were delivered in 2015-16:

- The Trust has adopted a cloud based Health and Safety Management System to streamline processes such as incident reporting, inspections and risk management. The initial stage of this transition has allowed the organisation to move from paper based incident reporting to an online platform that can be accessed from either desktop or mobile devices.
- Training has been provided across multiple areas of the organisation taking into account the requirements for all levels of venue staff. Areas such as workers compensation, mental health, and high risk courses such as rigging, scaffolding and working at heights/ roping have been conducted.

- The Trust has an OSH Committee in place with workplace representatives from across multiple venue areas. These areas include Technical/ Backstage, Front of House, Corporate Operations and Maintenance/ Presentation Services. The committee

has a responsibility to ensure consistent consultation of OSH matters between venue management and staff, provide trends in venue incidents and illness, review policy and procedure, and ensure resolution in ongoing health and safety matters.

Measure	Actual Results		Results Against Target	
	2013-2014	2015-2016	Target	Comment on result
Number of Fatalities	0	0	0	
Lost time injury and disease incidence rate	0	3.16	0	
Lost time injury and disease severity rate	0	33.33	0	
Percentage of injured workers returned work:				
Within 13 weeks	N/A	66%	80%	
Within 26 weeks	N/A	66%	80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	33%	72%	80%	Training was delivered to managers and supervisors on workers compensation and injury management

23 of 32 identified Managers have completed OSH training in past three years = 72% including Mental Health First Aid and OSH Representative Training.

Government Building Training Policy

Building Management and Works are responsible for the management of building works with a value of over \$2million. There were no works in 2015/16 that met this threshold.

Measure	Number
Active contracts within the scope of the GBT Policy in the reporting period	0
Contracts granted a variation to the target training rate in the reporting period	0
Head contractors involved in the contracts	0
Construction apprentices/trainees required to meet target training rate across all contracts	0
Construction apprentices/trainees employed by head contractors; and the subcontractors they are using for the contracts	0
Contracts which met or exceeded the target training rate	0

Financial Statements

Certification of Financial Statements

For the year ended 30 June 2016

The accompanying financial statements of Perth Theatre Trust have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2016 and the financial position as at 30 June 2016.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Chief Finance Officer

Monday, 29 August 16



 **Chairman of Perth Theatre Trust**

Monday, 29 August 16



Member of Perth Theatre Trust

Monday, 29 August 16

Statement of Comprehensive Income

For the year ended 30 June 2016

	Note	2016 \$000	2015 \$000
Cost of services			
Expenses			
Employee benefits expense	7	8,232	11,665
Supplies and services	8	2,874	4,280
Depreciation and amortisation expense	9	3,745	3,892
Accommodation expenses	10	2,873	2,494
Cost of sales	14	160	838
Loss on disposal of non-current assets	18	0	14
Grants and Subsidies	12	500	250
Other expenses	11	344	241
Total cost of services		18,728	23,674
Income			
Revenue			
User charges and fees	13	4,471	6,443
Sales	14	563	3,129
Sponsorship	15	67	114
Interest revenue	16	46	124
Other revenue	17	1,690	2,193
Total Revenue		6,837	12,003
Gains			
Gain on disposal of non-current assets		0	0
Total Gains	18	0	0
Total income other than income from State Government		6,837	12,003
NET COST OF SERVICES		11,891	11,671
Income from State Government	19		
Service appropriation		12,030	13,523
State grants and subsidies		1,760	1,348
Services received free of charge		9	16
Royalties for Regions Fund		680	690
Total income from State Government		14,479	15,577
SURPLUS / (DEFICIT) FOR THE PERIOD		2,588	3,906
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit and loss			
Changes in asset revaluation surplus		(3,025)	(1,053)
Total other comprehensive income		(3,025)	(1,053)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(437)	2,853

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2016

	Note	2016 \$000	2015 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	33	2,248	1,716
Restricted cash and cash equivalents	20, 33	2,253	2,718
Inventories	21	16	17
Receivables	22	807	978
Other current assets	24	839	613
Total Current Assets		6,163	6,042
Non-Current Assets			
Amounts receivable for services	23	30,247	26,390
Property, plant and equipment	25	200,318	204,268
Intangible assets	27	218	45
Total Non-Current Assets		230,783	230,703
TOTAL ASSETS		236,946	236,745
LIABILITIES			
Current Liabilities			
Payables	28	43	3
Funds held in trust	29	2,237	2,530
Provisions	30	351	258
Other current liabilities	31	915	800
Total Current Liabilities		3,546	3,591
Non Current Liabilities			
Provisions	30	61	97
Total Non Current Liabilities		61	97
TOTAL LIABILITIES		3,607	3,688
NET ASSETS		233,339	233,057
EQUITY			
Contributed equity	32	194,378	193,659
Reserves		7,872	10,897
Accumulated surplus		31,089	28,501
TOTAL EQUITY		233,339	233,057

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2016

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total equity \$000
Balance at 1 July 2014	32	193,659	11,950	24,595	230,204
Total comprehensive income for the period		0	(1,053)	3,906	2,853
Transactions with owners in their capacity as owners:					
Capital appropriations		0	0	0	0
Other Contributions by owners		0	0	0	0
Distribution to owners		0	0	0	0
Total		0	(1,053)	3,906	2,853
Balance at 30 June 2015		193,659	10,897	28,501	233,057
Balance at 1 July 2015		193,659	10,897	28,501	233,057
Total comprehensive income for the period		0	(3,025)	2,588	(437)
Transactions with owners in their capacity as owners:					
Capital appropriations		719	0	0	719
Other Contributions by owners		0	0	0	0
Distribution to owners		0	0	0	0
Total		719	(3,025)	2,588	282
Balance at 30 June 2016		194,378	7,872	31,089	233,339

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2016

	Note	2016 \$000	2015 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		7,197	8,690
State grants and subsidies		2,270	1,348
Capital contributions		601	0
Holding account drawdowns		976	0
Royalties for Regions Fund		680	690
27th Pay holding account movement		0	0
Net cash provided by State Government		11,724	10,728
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Payments from trust fund		(9,572)	(22,425)
Employee benefits		(8,290)	(12,300)
Supplies and services		(3,192)	(6,334)
Accommodation		(2,873)	(2,494)
Grants and Subsidies		(500)	(250)
GST payments on purchases		(776)	(707)
GST payments to taxation authority		(79)	(494)
Other payments		(83)	0
Receipts			
Receipts into trust fund		9,279	21,659
User charges and fees		4,202	6,433
Sale of goods and services		563	3,129
Sponsorship		67	114
Interest received		58	124
GST receipts on sales		639	865
GST receipts from taxation authority		233	153
Other receipts		1,660	2,191
Net cash provided by/(used in) operating activities	33	(8,664)	(10,336)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(2,993)	(1,289)
Receipts			
Proceeds from sale of non-current physical assets		0	0
Net cash provided by/(used in) operating activities		(2,993)	(1,289)
Net increase / (decrease) in cash and cash equivalents		67	(897)
Cash and cash equivalents at the beginning of the period		4,434	5,331
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	33	4,501	4,434

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Index of Notes to the Financial Statements

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1. Australian Accounting Standards

General

Perth Theatre Trust's financial statements for the year ended 30 June 2016 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

Perth Theatre Trust has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

Perth Theatre Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by Perth Theatre Trust for the annual reporting period ended 30 June 2016.

Note 2. Summary of significant accounting policies

(a) General statement

Perth Theatre Trust is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying Perth Theatre Trust's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

(c) Reporting entity

The reporting entity comprises the Perth Theatre Trust.

(d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 Contributions by Owners made to Wholly Owned Public Sector Entities and have been credited directly to Contributed equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Service appropriations

Service Appropriations are recognised as revenues at fair value in the period in which Perth Theatre Trust gains control of the appropriated funds. Perth Theatre Trust gains control of the appropriated funds at the time those funds are deposited to the bank account or credited to 'Amounts receivable for services' (holding account) held at Treasury.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when Perth Theatre Trust obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Royalties for Regions funds are recognised as revenue at fair value in the period in which Perth Theatre Trust obtains control over the funds. Perth Theatre Trust obtains control of the funds at the time the funds are deposited into Perth Theatre Trust's bank account.

Gains

Realised or unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, plant and equipment

Capitalisation/expensing of assets

Items of property, plant and equipment costing over \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent Measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	66 years
Air conditioning upgrades	4 to 25 years
Leasehold improvements	3 to 40 years
Communication equipment	4 to 10 years
Computer hardware	3 to 4 years
Furniture, fixtures and fittings	4 to 20 years
Plant and machinery	3 to 25 years
Office equipment	5 to 10 years
Other equipment	4 to 20 years

Works of art controlled by Perth Theatre Trust are classified as property, plant and equipment. These are anticipated to have indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and consequently no depreciation has been recognised.

Land is not depreciated.

(g) Intangible assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing over \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets are expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by Perth Theatre Trust have a finite useful life and zero residual value.

The expected useful lives for each class of intangible asset are:

Software ^(a)	3 to 10 years
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(a) Software that is not integral to the operation of any related hardware.

Computer Software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As Perth Theatre Trust is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(i) Leases

Perth Theatre Trust holds operating leases for office accommodation and motor vehicle. Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(j) Financial instruments

In addition to cash, Perth Theatre Trust has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial Instruments have been disaggregated into the following classes:

Financial Assets:

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

Financial Liabilities:

- Payables
- Funds held in trust

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(k) Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(l) Accrued salaries

Accrued salaries (see note 28 'Payables') represents the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. Perth Theatre Trust considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(m) Amounts receivable for services (holding account)

Perth Theatre Trust receives income from the State Government partly in cash and partly as an asset (holding account receivable). The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(n) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each particular class of inventory, with the majority being measured on a first in first out basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

(o) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Perth Theatre Trust will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(p) Payables

Payables are recognised when Perth Theatre Trust becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

(q) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

Annual leave is not expected to be settled wholly within 12 months after the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as Perth Theatre Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as Perth Theatre Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because Perth Theatre Trust has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation

The Government Employees Superannuation Board (GESB) and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The Perth Theatre Trust makes contributions to GESB or other fund providers on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. Contributions to these accumulation schemes extinguish the Perth Theatre Trust's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Perth Theatre Trust to GESB extinguishes the agency's obligations to the related superannuation liability.

The Perth Theatre Trust has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Perth Theatre Trust to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

Provisions - Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of Perth Theatre Trust's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(r) Superannuation expense

Superannuation expense is recognised in the profit or loss of the Statement of Comprehensive Income and comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(s) Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost are recognised as income at the fair value of the assets and/or the fair value of those services that can be reliably measured and the Perth Theatre Trust would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(t) Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

(u) Department of Culture and the Arts

The Department of Culture and the Arts provides support for capital projects to agencies in the Culture and Arts portfolio. The Department receives an appropriation for capital projects and minor asset equipment as part of the DCA PC Replacement Program. These resources, provided to the Perth Theatre Trust, but paid for by the Department, have been treated as 'Resources received free of charge' in the Income Statement.

The Department of Culture and the Arts provides shared corporate services to the Perth Theatre Trust which are not recognised in the Income Statement.

Note 3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. Perth Theatre Trust evaluates these judgements regularly.

Operating lease commitments

Perth Theatre Trust has entered into a commercial lease for a motor vehicle and has determined that the lessor retains all the significant risks and rewards of ownership of the property. Accordingly, this lease has been classified as an operating lease.

Perth Theatre Trust has operating leases for buildings. The property leases are non-cancellable leases, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that minimum lease payments shall be increased by the lower of CPI or 3.5% per annum. An option exists to renew the leases at the end of the term.

Note 4. Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Long Service Leave

Several estimations and assumptions used in calculating the Authority's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Note 5. Change in Venue Management

Perth Theatre Trust (PTT) contracted AEG Ogden (Perth) Pty Ltd to manage the operation of the State's flagship performing arts venues vested in PTT – State Theatre Centre of WA, His Majesty's Theatre, Perth Concert Hall, Subiaco Arts Centre and the Albany Entertainment Centre. The management agreement commenced on 2 March 1999 and expired on 31 December 2014.

The expiry of the contract with AEG Ogden (Perth) provided the opportunity to review the Trust's business and to ensure any future venue management arrangements reflected the current and future needs of the State Government, performing arts sector and the public.

A new venue management model was recommended by the PTT Board and approved by Government in 2014. This saw much of the venue management business returned for direct management by PTT from 1 January 2015; with food and beverage services outsourced with the exception of the food and beverage operations at Albany Entertainment Centre.

From 1 January 2015, the management of the Perth Concert Hall was taken on by the West Australian Symphony Orchestra, through WA Venue and Events Pty Ltd. PTT leases the venue from the City of Perth.

Note 6. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

Perth Theatre Trust has applied the following Australian Accounting Standards effective, or adopted, for annual reporting periods beginning on or after 1 July 2015 that impacted on Perth Theatre Trust.

AASB 2013-9	<i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i> Part C of this Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. The Department has not yet determined the application or the potential impact of AASB 9.
AASB 2014-8	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]</i> This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010), arising from the issuance of AASB 9 Financial Instruments in December 2014. The Department has not yet determined the application or the potential impact of AASB 9.
AASB 2015-3	<i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i> This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.
AASB 2015-7	<i>Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities [AASB 13]</i> This Standard relieves not-for-profit public sector entities from the reporting burden associated with various disclosures required by AASB 13 for assets within the scope of AASB 116 that are held primarily for their current service potential rather than to generate future net cash inflows. It has no financial impact.

Future impact of Australian Accounting Standards not yet operative

Perth Theatre Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101*. Consequently, Perth Theatre Trust has not applied early any of the following Australian Accounting Standards that have been issued that may impact Perth Theatre Trust. Where applicable, Perth Theatre Trust plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and AASB 2014-1 Amendments to Australian Accounting Standards. Perth Theatre Trust has not yet determined the application of the potential impact of the Standard.</p>	1 Jan 2018
AASB 15	<p><i>Revenue from Contracts with Customers</i></p> <p>This Standard establishes the principles that Perth Theatre Trust shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 16	<p><i>Leases</i></p> <p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
AASB 1057	<p><i>Application of Australian Accounting Standards</i></p> <p>This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.</p>	1 Jan 2016
AASB 2010-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB2014-1	<p><i>Amendments to Australian Accounting Standards</i></p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by Perth Theatre Trust to determine the application or potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-3	<p><i>Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]</i></p>	1 Jan 2016

	Perth Theatre Trust establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.	
AASB 2014-4	<i>Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]</i> The adoption of this Standard has no financial impact for Perth Theatre Trust as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.	1 Jan 2016
AASB 2014-5	<i>Amendments to Australian Accounting Standards arising from AASB 15</i> This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	1 Jan 2018
AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i> This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	1 Jan 2018
AASB 2014-9	<i>Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</i> This Standard amends AASB 127, and consequentially amends AASB1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. Perth Theatre trust has not yet determined the application of the potential impact of the Standard.	1 Jan 2016
AASB 2014-10	<i>Amendments to Australian Accounting Standards - Sale of Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]</i> This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	1 Jan 2016
AASB 2015-1	<i>Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i> These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	1 Jan 2016
AASB 2015-2	<i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i> This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.	1 Jan 2016

AASB 2015-6	<p><i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]</i></p> <p>The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.</p>	1 Jul 2016
AASB 2015-8	<p><i>Amendments to Australian Accounting Standards – Effective Date of AASB 15</i></p> <p>This Standard amends the mandatory effective date (application date) of AASB 15 Revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. The Department has not yet determined the application or the potential impact of AASB 15.</p>	1 Jan 2017
AASB 2015-10	<p><i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 & 128</i></p> <p>This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. The Authority has not yet determined the application or the potential impact of AASB 2014-10.</p>	1 Jan 2016
AASB 2016-2	<p><i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107</i></p> <p>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. There is no financial impact.</p>	1 Jan 2017
AASB 2016-3	<p><i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i></p> <p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Authority has not yet determined the application or the potential impact.</p>	1 Jan 2018
AASB 2016-4	<p><i>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i></p> <p>This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-forprofit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Authority has not yet determined the application or the potential impact.</p>	1 Jan 2017

Note 7. Employee benefits expense

	2016	2015
	\$000	\$000
Wages and salaries ^(a)	6,842	9,583
Superannuation - defined contribution plans ^(b)	412	209
Superannuation - other schemes	234	697
Long service leave ^(a)	140	190
Annual leave ^(a)	408	492
Other related expenses	196	494
	8,232	11,665

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State and GESB Super Schemes.

Employment on-costs such as workers compensation insurance are included at note 11 'Other Expenses'.

The employment on-costs liability is included at note 30 'Provisions'.

Note 8. Supplies and services

	2016	2015
	\$000	\$000
Communications	260	335
Consultants and contractors	45	209
Consumables	209	256
Advertising and promotion	190	204
Management fees	0	381
Programming	396	353
Equipment purchases	156	347
Insurance premiums	206	234
Lease hire	53	195
Legal fees	60	162
Licences	106	159
Maintenance	682	753
Printing	46	21
Bank and credit card charges	3	12
Temporary staff	110	138
Travel	35	35
Entertainment	14	33
Other	303	453
	2,874	4,280

Note 9. Depreciation and amortisation expense

	2016	2015
	\$000	\$000
DEPRECIATION		
Buildings	2,596	2,643
Leasehold improvements	205	202
Plant, equipment and vehicles	919	963
Total depreciation	3,720	3,808
AMORTISATION		
Intangible assets	25	84
Total amortisation	25	84
Total depreciation and amortisation	3,745	3,892

Note 10. Accommodation expenses

	2016	2015
	\$000	\$000
Repairs and maintenance	1,409	548
Rent	49	51
Electricity and gas	994	1,276
Water	140	172
Cleaning	94	165
Security	121	175
Other	66	107
	2,873	2,494

Note 11. Other expenses

	2016	2015
	\$000	\$000
Sponsorship	154	39
Employment on-costs	90	84
Audit Fees	80	87
Doubtful debts expense	1	0
Other	19	31
	344	241

Note 12. Grants and Subsidies

	2016	2015
	\$000	\$000
Perth Concert Hall - Operations	500	250
	500	250

Note 13. User charges and fees

	2016	2015
	\$000	\$000
Venue hire and related charges	4,471	6,443
	<u>4,471</u>	<u>6,443</u>

Note 14. Trading profit

	2016	2015
	\$000	\$000
Sales	563	3,129
Cost of Sales:		
Opening inventory	(17)	(124)
Purchases	(159)	(731)
	<u>(176)</u>	<u>(855)</u>
Closing inventory	16	17
Cost of Goods Sold	<u>(160)</u>	<u>(838)</u>
Trading Profit	<u>403</u>	<u>2,291</u>

Note 15. Sponsorship

	2016	2015
	\$000	\$000
Sponsorship	67	114
	<u>67</u>	<u>114</u>

Note 16. Interest revenue

	2016	2015
	\$000	\$000
Bank interest	46	124
	<u>46</u>	<u>124</u>

Note 17. Other revenue

	2016	2015
	\$000	\$000
Grants and subsidies	620	659
Commission	177	119
Recoup of previous years expenditure	0	99
Other	130	57
Royalties	137	167
Rebates	595	894
Production Investments	31	198
	<u>1,690</u>	<u>2,193</u>

Note 18. Net gain/(loss) on disposal of non-current assets

	2016	2015
	\$000	\$000
Proceeds from disposal of non-current assets		
Plant, equipment and vehicles	0	0
Costs of disposal of non-current assets		
Plant, equipment and vehicles	0	(14)
Net gain/(loss)	<u>0</u>	<u>(14)</u>

Note 19. Income from State Government

	2016 \$000	2015 \$000
Appropriation received during the year:		
Service appropriation ^(a)	12,030	13,523
	12,030	13,523
State grants and subsidies ^(b)		
Grant payments made by the Department of Culture and Arts for the following projects:		
(i) HMT Fire Systems Upgrade	1,760	1,087
(ii) Perth Concert Hall Chiller Maintenance	0	26
(iii) Wireless Spectrum Comms Hardware - All Venues	0	235
	1,760	1,348
Services received free of charge ^(c)		
Determined on the basis of the following amounts provided by Department of Culture and the Arts:		
(i) Computer equipment	3	6
(ii) State Solicitors Office	6	10
	9	16
Royalties for Regions:		
Albany Entertainment Funding (Regional Community Services Fund)	680	690
	14,479	15,577

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the budgeted depreciation expense for the year and any agreed increase in leave liability during the year.

(b) State grants and subsidies relates to capital works and maintenance projects funded by the Department of Culture and the Arts.

(c) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

Note 20. Restricted cash and cash equivalents

	2016 \$000	2015 \$000
Current		
Ticketing Funds Held in Trust ^(a)	2,248	2,525
Robert Finley Trust Account ^(a)	5	5
Accrued salaries suspense account ^(b)	0	188
	2,253	2,718

(a) The balance of Restricted cash comprises ticket sales held in trust pending the presentation of events and performances. It also includes Robert Finley trust account.

(b) Funds held in the suspense account for the purpose of meeting the 27th pay in a financial year that occurs every 11th year. The balance was cleared in the current year as the 27th pay falls in the 2015-16 financial year.

Note 21. Inventories

	2016 \$000	2015 \$000
Current		
Inventories held for resale:		
Liquor and consumable catering supplies	16	17
	16	17

Note 22. Receivables

	2016 \$000	2015 \$000
Current		
Receivables	769	923
GST receivable	38	55
Total current	807	978

Reconciliation of changes in the allowance for impairment of receivables

Balance at start of year	0	0
Doubtful debts expense recognised in the statement of comprehensive income	1	0
Amounts written off during the period	30	0
Amounts recovered during the period	0	0
Balance at end of year	31	0

Note 23. Amounts receivable for services

	2016 \$000	2015 \$000
Non-current	30,247	26,390
	30,247	26,390

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Note 24. Other assets

	2016 \$000	2015 \$000
Current		
Prepayments	317	197
Accrued income	522	413
Other current assets	0	3
	839	613

Note 25. Property, plant and equipment

	2016 \$000	2015 \$000
Land		
At fair value ^(a)	26,400	23,900
Accumulated impairment losses	0	0
	26,400	23,900
Buildings		
At fair value (a)	167,355	172,053
At cost	0	0
Accumulated depreciation	(7)	(7)
Accumulated impairment losses	0	0
	167,348	172,046
Works in progress		
At cost	0	968
	0	968
Leasehold improvements		
At cost	5,223	5,223
Accumulated depreciation	(3,186)	(2,981)
Accumulated impairment losses	0	0
	2,037	2,242
Plant, equipment and vehicles		
At cost	15,861	15,520
Accumulated depreciation	(11,334)	(10,414)
Accumulated impairment losses	0	0
	4,527	5,106
Works of art		
At cost	6	6
Accumulated impairment losses	0	0
	6	6
	200,318	204,268

(a) Land and buildings were revalued as at 1 July 2015 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2016 and recognised at 30 June 2016. In undertaking the revaluation, fair value was determined by reference to market values for land \$26,400,000 (2015: \$23,900,000) while buildings was determined on the basis of depreciated replacement cost.

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the reporting period are set out in the table below.

	Freehold Land	Buildings	Works in progress	Leasehold improv.	Plant, equipment and vehicles	Works of art	Total
2016	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount at start of year	23,900	172,046	968	2,242	5,106	6	204,268
Reinstated assets previously expensed	0	0	0	0	0	0	0
Additions	0	3,422	0	0	340	0	3,762
Transfers	0	0	(968)	0		0	(968)
Other disposals	0	0	0	0		0	0
Revaluation increments / (decrements)	2,500	(5,525)	0	0	0	0	(3,025)
Depreciation	0	(2,595)	0	(205)	(919)	0	(3,719)
Carrying amount at end of year	26,400	167,348	0	2,037	4,527	6	200,318

	Freehold Land	Buildings	Works in progress	Leasehold improv.	Plant, equipment and vehicles	Works of art	Total
2015	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount at start of year	23,900	175,743	0	2,366	5,837	6	207,852
Additions	0	0	0	0	0	0	0
Adjustment from previous financial year	0	0	968	78	279	0	1,325
Transfers	0	0	0	0	(33)	0	(33)
Other disposals	0	0	0	0	(14)	0	(14)
Revaluation increments / (decrements)		(1,053)	0	0	0	0	(1,053)
Depreciation	0	(2,644)	0	(202)	(963)	0	(3,809)
Carrying amount at end of year	23,900	172,046	968	2,242	5,106	6	204,268

Note 26. Fair value measurements

Assets Measured at fair value:	Level 1	Level 2	Level 3	Fair Value at end of period
	\$000	\$000	\$000	\$000
2016				
Land (Note 25)	0	0	26,400	26,400
Buildings (Note 25)	0	0	167,348	167,348
	<u>0</u>	<u>0</u>	<u>193,748</u>	<u>193,748</u>

Assets Measured at fair value:	Level 1	Level 2	Level 3	Fair Value at end of period
	\$000	\$000	\$000	\$000
2015				
Land (Note 25)	0	0	23,900	23,900
Buildings (Note 25)	0	0	172,046	172,046
	<u>0</u>	<u>0</u>	<u>195,946</u>	<u>195,946</u>

There were no transfers between Levels 1, 2 or 3 during the period.

Fair value measurements using significant unobservable inputs (Level 3)	Land \$000	Buildings \$000
2016		
Fair Value at start of period	23,900	172,046
Additions	0	3,422
Revaluation increments/ (decrements) recognised in Profit or Loss	2,500	0
Revaluation increments/ (decrements) recognised in Other Comprehensive Income	0	(5,525)
Transfers (from/(to) Level 2)		
Disposals	0	0
Depreciation Expense	0	(2,595)
Fair Value at end of period	<u>26,400</u>	<u>167,348</u>
Total Gains or losses for the period included in profit or loss, under 'Other Gains'	0	0
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	0	0
	<u>\$000</u>	<u>\$000</u>
2015		
Fair Value at start of period	23,900	175,743
Additions	0	0
Revaluation increments/ (decrements) recognised in Profit or Loss	0	0
Revaluation increments/ (decrements) recognised in Other Comprehensive Income	0	(1,053)
Transfers (from/(to) Level 2)		
Disposals	0	0
Depreciation Expense	0	(2,644)
Fair Value at end of period	<u>23,900</u>	<u>172,046</u>
Total Gains or losses for the period included in profit or loss, under 'Other Gains'	0	0
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	0	0

Valuation Processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Fair value for existing use specialised buildings and infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Fair value for restricted use land is based

on market value, by either using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land), or, comparison with market evidence for land with low level utility (high restricted use land).

Significant Level 3 inputs used by the Perth Theatre Trust are derived and evaluated as follows:

Historical cost per square metre floor area (m²)

The costs of constructing specialised buildings with similar utility are extracted from financial records of the Perth Theatre Trust, then indexed by movement in CPI.

Consumed economic benefit/obsolescence of asset

These are estimated by the Western Australian Land Information Authority (Valuation Services).

Selection of land with restricted utility

Fair value for restricted use land determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by Western Australian Land Information Authority (Valuation Services).

Information about significant unobservable inputs (Level 3) in fair value measurements

Description and fair value as at 30 June 2016 \$'000	Valuation Technique	Unobservable inputs	Range of unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Land (\$26,400)	Current use	Selection of land with similar approximate utility	\$2,828 - \$4,685 per m ² (3,600 per m ²)	Higher value of similar land increases estimated fair value.
Building (\$167,348)	Depreciated replacement cost	Consumed economic benefit	1.75% - 2% per year (1.92% per year)	Greater consumption benefit lowers the fair value.
		Historical cost per cubic metre (m ³)	\$21,602 - \$31,724 per m ³ (\$26,663 per m ³)	Higher Historical cost increases the fair value

Information about significant unobservable inputs (Level 3) in fair value measurements

Description and fair value as at 30 June 2015 \$000	Valuation Technique	Unobservable inputs	Range of unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Land (\$23,900)	Current use	Selection of land with similar approximate utility	\$2,131 - \$5,069 per m ² (3,600 per m ²)	Higher value of similar land increases estimated fair value.
Building (\$172,046)	Depreciated replacement cost	Consumed economic benefit	1.75% - 2% per year (1.92% per year)	Greater consumption benefit lowers the fair value.
		Historical cost per cubic metre (m ²)	\$21,602 - \$31,724 per m ² (\$26,663 per m ²)	Higher Historical cost increases the fair value

Reconciliations of the opening and closing balances are provided in Notes 25 and 26

Basis of Valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the Perth Theatre Trust's enabling legislation.

Note 27. Intangible assets

	2016 \$000	2015 \$000
Computer software		
At cost	1,147	948
Accumulated amortisation	(929)	(903)
Accumulated impairment losses	0	0
	<u>218</u>	<u>45</u>

Reconciliations:

Computer software

Carrying amount at start of year	45	129
Additions	198	0
Transfers	0	0
Disposals	0	0
Amortisation expense	(25)	(84)
Carrying amount at end of year	<u>218</u>	<u>45</u>

Note 28. Payables

	2016 \$000	2015 \$000
Current		
Trade payables	43	3
	<u>43</u>	<u>3</u>

Note 29. Funds held in trust

	2016 \$000	2015 \$000
Ticketing Trust Account - Event Settlements	2,232	2,525
Robert Finley Trust Account	5	5
	<u>2,237</u>	<u>2,530</u>

Note 30. Provisions

	2016 \$000	2015 \$000
Current		
Employee benefits provision		
Annual leave ^(a)	231	174
Long service leave ^(b)	48	22
	<u>279</u>	<u>196</u>
Other provisions		
Employment on-costs ^(c)	72	62
	<u>351</u>	<u>258</u>
Non current		
Employee benefits provision		
Long service leave	55	82
	<u>55</u>	<u>82</u>
Other provisions		
Employment on-costs ^(c)	6	15
	<u>61</u>	<u>97</u>

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2016 \$000	2015 \$000
Within 12 months of the end of the reporting period	197	122
More than 12 months after the reporting period	34	52
	<u>231</u>	<u>174</u>

(b) Long service leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2016 \$000	2015 \$000
Within 12 months of the end of the reporting period	34	73
More than 12 months after the reporting period	14	31
	<u>48</u>	<u>104</u>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

The associated expense is disclosed in note 11 'Other expenses'.

Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

	2016 \$000	2015 \$000
Employment on-cost provision		
Carrying amount at start of year	77	53
Additional provisions recognised	35	24
Payments/other sacrifices of economic benefits	(34)	0
Carrying amount at end of year	<u>78</u>	<u>77</u>

Note 31. Other liabilities

	2016 \$000	2015 \$000
Current		
Accrued expenses	605	599
Income received in advance	241	201
Funds Held - Catering Contract	69	0
	<u>915</u>	<u>800</u>

Note 32. Equity

The Western Australian Government holds the equity interest in Perth Theatre Trust on behalf of the community. Equity represents the residual interest in the net assets of Perth Theatre Trust. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity	2016	2015
	\$000	\$000
Balance at start of period	193,659	193,659
Transfer of net assets from other agencies		
His Majesty Theatre Stage Lighting Equipment Upgrade - Department of Culture and the Arts	366	0
Perth Theatre Trust Compliant Wireless Hardware - Department of Culture and the Arts	235	0
State Theatre Centre Software and Hardware Upgrade - Department of Culture and the Arts	118	0
Total contributions by owners	719	0
Balance at end of period	194,378	193,659
Reserves	2016	2015
	\$000	\$000
Asset revaluation surplus		
Balance at start of period	10,897	11,950
Net revaluation increments/ (decrements):		
Land	2,500	0
Buildings	(5,525)	(1,053)
Balance at end of period	7,872	10,897
Accumulated surplus	2016	2015
	\$000	\$000
Balance at start of period	28,501	24,595
Result for the period	2,588	3,906
Balance at end of period	31,089	28,501
Total equity at end of period	233,339	233,057

Note 33. Notes to the Statement of Cash Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2016	2015
	\$000	\$000
Cash and cash equivalents	2,248	1,716
Restricted cash and cash equivalents (note 20 'Restricted cash and cash equivalents')	2,253	2,718
	4,501	4,434

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	2016	2015
	\$000	\$000
Net cost of services	(11,891)	(11,671)
Non cash items:		
Depreciation and amortisation expense (note 9)	3,745	3,892
Doubtful debts expense	31	0
Services received free of charge (note 19)	9	16
Net loss on sale of property, plant and equipment (note 18)	0	14
(Increase)/decrease in assets:		
Current inventories	1	107
Current receivables ^(a)	(269)	(503)
Other current assets	(226)	209
Increase/(decrease) in liabilities:		
Current payables ^(a)	40	(1,333)
Funds held in trust	(293)	(786)
Current provisions	93	(318)
Other current liabilities	115	119
Non current provisions	(36)	(81)
Net GST receipts/(payments) ^(b)	17	(1)
Net cash provided by/ (used in) operating activities	(8,664)	(10,336)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and receivable/ payable in respect of sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

At the end of the reporting period, Perth Theatre Trust had fully drawn down on all financing facilities, details of which are disclosed in the financial statements.

Note 34. Commitments

The commitments below are inclusive of GST where relevant.

Non-cancellable operating Lease commitments

	2016 \$000	2015 \$000
Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements, are payable as follows:		
Within 1 year	13	10
Later than 1 year and not later than 5 years	13	10
	<u>26</u>	<u>20</u>

Note 35. Events occurring after the reporting date

During the 2015/16 financial year, it was proposed that all the land lots within the Perth Cultural Centre including the buildings, car parks and the public realm, be amalgamated into a single Crown Reserve 37000. Under the proposal, the Minister for Culture and the Arts will hold a statutory right to manage and control Crown land in accordance with the management order granted under the Land Administration Act. The existing lease agreements made with the Department of Lands would be transferred to the Minister for Culture and the Arts and similar leases would then be provided to the Perth Theatre Trust to ensure they continue to operate as per their legislative requirements. At the date of signing these financial statements, the proposed amalgamation has not been finalised and has therefore not been recognised in these financial statements.

Note 36. Explanatory statement

Significant variations between the actual results for 2015 and 2016 are shown below. Significant variations are considered to be the greater of 10% and \$100,000 .

Significant variances between actual results for 2016 and 2015

	2016 \$000	2015 \$000	Variance \$000
Income			
User charges and fees	4,471	6,443	(1,972)
Sales	563	3,129	(2,566)
Service appropriation	12,030	13,523	(1,493)
State grants and subsidies	1,760	1,348	412
Other revenue	1,690	2,193	(503)
Expenses			
Employee benefits expense	8,232	11,665	(3,433)
Supplies and services	2,874	4,280	(1,406)
Accommodation expenses	2,873	2,494	379
Cost of sales	160	838	(678)
Depreciation	3,745	3,892	(147)
Other Expenses	344	241	103

User charges and fees

The reduction in user fees and charges was mainly attributable to the transfer of the management of the Perth Concert Hall to WA Venue and Events Pty Ltd and the closure of His Majesty's Theatre for essential maintenance works for five months of the year.

Sales

The reduction in sales revenue is attributable to the outsourcing of the food and beverages operations at all the metro venues to a private operator on 1 January 2015. This reduction is also in line with the reduction in the cost of sales.

Service appropriation

The reduction in the service appropriation is primarily due to a decrease in the notional Government funding for asset replacement so as to align it with the actual depreciation charge and one off transitional funding provided in 2014-15.

State grants and subsidies

The increase relates to additional funding received from the Department of Culture and Arts for the essential maintenance works at His Majesty's Theatre.

Other revenue

The reduction in other revenue, such as ticketing rebates and commissions, was mainly attributable to the transfer of the management of the Perth Concert Hall to WA Venue and Events Pty Ltd and the closure of His Majesty's Theatre for essential maintenance works for five months of the year.

Employee benefits expense

The decrease is mainly attributable to the transfer of the management of the Perth Concert Hall, outsourcing of the F&B operations and rationalisation of positions after Perth Theatre Trust took over the direct management of the venues on 1 January 2015.

Supplies and services

The reduction is mainly due to one-off transitional expenditure incurred in 2014-15 and lower operating costs brought about by the new venue management model. The 2014-15 figures includes the payment of management fees to a private operator for the management of all PTT venues for 6 months of the year.

Accommodation expenses

The increase in accommodation expenses were mainly due to essential maintenance works carried out at State Theatre Centre (chiller repairs) and Albany Entertainment Centre and the replacement of theatre lighting at His Majesty's Theatre.

Cost of sales

The reduction in cost of sales was attributable to the outsourcing of the food and beverages operations at all the metro venues to a private operator on 1 January 2015.

Depreciation

The reduction in the depreciation expense is consistent with the reduction in the asset values mainly due to a building revaluation decrease.

Other Expenses

The increase was primarily due to an increase to sponsorships provided by the Trust in 2015-16 when compared to the prior year. The increased sponsorship was in line with the budget for the year.

Note 37. Financial instruments

(a) Financial risk management objectives and policies

Financial Instruments held by Perth Theatre Trust are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. Perth Theatre Trust has limited exposure to financial risks. Perth Theatre Trust's overall risk management program focuses on managing the risks identified below.

Credit Risk

Credit risk arises when there is the possibility of Perth Theatre Trust's receivables defaulting on their contractual obligations resulting in financial loss to Perth Theatre Trust.

The maximum exposure to credit risk at the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 37(c) 'Financial instruments disclosures' and note 22 'Receivables'.

Credit risk associated with Perth Theatre Trust's financial assets is minimal because the main receivable is the amount receivable for services (holding account). For receivables other than government, Perth Theatre Trust trades only with recognised, creditworthy third parties. Perth Theatre Trust has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that Perth Theatre Trust's exposure to bad debts is minimal. At the end of the reporting period there are no significant concentrations of credit risk.

Liquidity Risk

Liquidity risk arises when Perth Theatre Trust is unable to meet its financial obligations as they fall due.

Perth Theatre Trust is exposed to liquidity risk through its trading in the normal course of business.

Perth Theatre Trust has appropriate procedures to manage cash flows including drawdowns of appropriation by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect Perth Theatre Trust's income or value of its holdings of financial instruments. Perth Theatre Trust does not trade in foreign currency and is not materially exposed to other price risks. Perth Theatre Trust does not have any exposure to market risk for changes in interest rates.

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2016 \$000	2015 \$000
Financial Assets		
Cash and cash equivalents	2,248	1,716
Restricted cash and cash equivalents	2,253	2,718
Receivables ^(a)	31,538	27,726
Financial Liabilities		
Financial liabilities measured at amortised cost	3,195	3,333

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial instrument disclosures

Credit risk

The following table discloses Perth Theatre Trust's maximum exposure to credit risk and the ageing analysis of financial assets. Perth Theatre Trust's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Perth Theatre Trust.

Perth Theatre Trust does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

Ageing analysis of financial assets

	Carrying Amount \$000	Not past due and not impaired \$000	Past due but not impaired					Impaired financial assets \$000
			Up to 1 month \$000	1-3 months \$000	3 months to 1 year \$000	1-5 years \$000	More than 5 years \$000	
2016								
Cash and cash equivalents	2,248	2,248						
Restricted cash and cash equivalents	2,253	2,253						
Receivables (a)	1,291	1,240	9	3	39			
Amounts receivable for services	30,247	30,247						
	36,039	35,988	9	3	39	0	0	0
2015								
Cash and cash equivalents	1,716	1,716						
Restricted cash and cash equivalents	2,718	2,718						
Receivables (a)	1,336	1,286	18	9	22			
Amounts receivable for services	26,390	26,390						
	32,160	32,110	18	9	22	0	0	0

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Liquidity risk and interest rate exposure

The following table details Perth Theatre Trust's interest rate exposure and contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount \$000	Interest rate exposure			Nominal amount \$000	Maturity dates				
			Fixed interest rate \$000	Variable Interest Rate \$000	Non- interest bearing \$000		Up to 1 month \$000	1-3 months \$000	3	1-5 years \$000	More than 5 years \$000
									months to 1 year \$000		
2016											
Financial Assets											
Cash and cash equivalents	2.28%	2,248		2,248		2,248	2,248				
Restricted cash and cash equivalents	2.28%	2,253		2,253		2,253	2,253				
Receivables (a)	-	1,291		0	1,291	1,291	1,291				
Amounts receivable for services	-	30,247		0	30,247	30,247				30,247	
		36,039	0	4,501	31,538	36,039	5,792	0	0	30,247	0
Financial Liabilities											
Payables	-	958			958	958	958				
Funds held in trust	-	2,237			2,237	2,237	759	759	719		
		3,195	0	0	3,195	3,195	1,717	759	719	0	0
2015											
Financial Assets											
Cash and cash equivalents	2.61%	1,716		1,716		1,716	1,716				
Restricted cash and cash equivalents	2.61%	2,718		2,718		2,718	2,718				
Receivables (a)	-	1,336		0	1,336	1,336	1,336				
Amounts receivable for services	-	26,390		0	26,390	26,390				26,390	
		32,160	0	4,434	27,726	32,160	5,770	0	0	26,390	0
Financial Liabilities											
Payables											
Funds held in trust	-	803			803	803	803				
	-	2,530			2,530	2,530	1,593	330	607		
		3,333	0	0	3,333	3,333	2,396	330	607	0	0

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of Perth Theatre Trust's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
2016					
Financial Assets					
Cash and cash equivalents	2,248	(22)	(22)	22	22
Restricted cash and cash equivalents	2,253	(23)	(23)	23	23
		(45)	(45)	45	45

	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
2015					
Financial Assets					
Cash and cash equivalents	1,716	(17)	(17)	17	17
Restricted cash and cash equivalents	2,718	(27)	(27)	27	27
		(44)	(44)	44	44

Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Note 38. Remuneration of trustees of Perth Theatre Trust and senior officers

Remuneration of trustees of Perth Theatre Trust

The number of members of Perth Theatre Trust, whose total of fees, salaries, superannuation and non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$	2016	2015
0 - 10,000	8	6
	\$000	\$000
Base remuneration and superannuation	22	26
Annual leave and long service leave accruals	0	0
Other benefits	0	0
Total remuneration of trustees of Perth Theatre Trust	22	26

Total remuneration includes the superannuation expense incurred by Perth Theatre Trust in respect of trustees of Perth Theatre Trust.

Remuneration of senior officers

The number of senior officers, other than senior officers reported as trustees of Perth Theatre Trust, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$	2016	2015
240,000 - 250,000	0	0
250,000 - 260,000	1	1
	\$000	\$000
Base remuneration and superannuation	305	220
Annual leave and long service leave accruals	0	31
Other benefits	0	0
Total remuneration of senior officers	305	251

Total remuneration includes the superannuation expense incurred by Perth Theatre Trust in respect of senior officers other than senior officers reported as trustees of Perth Theatre Trust.

Note 39. Remuneration of auditor

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2016 \$000	2015 \$000
Auditing the accounts, financial statements and key performance indicators	26	42

Note 40. Related bodies

At the reporting date, Perth Theatre Trust had no related bodies as defined by Treasurer's Instruction 951.

Note 41. Affiliated bodies

At the reporting date, Perth Theatre Trust had no affiliated bodies as defined by Treasurer's Instruction 951.

Note 42. Special purpose accounts

Special Purpose Account - section 16(1)(c) of Financial Management Act 2006

Perth Theatre Trust Ticketing Account

The purpose of the account is to hold funds on behalf of promoters and other parties in relation to the staging of events and shows, pending due and proper performance of contractual obligations.

	2016 \$000	2015 \$000
Balance at the start of the year	2,525	0
Receipts	9,280	9,500
Payments	(9,557)	(6,975)
Balance at the end of the year	2,248	2,525

Note 43. Supplementary financial information

(a) Write-offs

During the financial year, \$30,000 (2015: nil) in bad debts was written off under the authority of:

	2016 \$000	2015 \$000
The Board of Trustees (The Accountable Authority)	30	0

(b) Losses through theft, defaults and other causes

There were no losses of public moneys and public and other property through theft or default during the financial year.

(c) Gift of public property

There were no gifts of public property provided by Perth Theatre Trust

Note 44. Schedule of income and expenses by service

Perth Theatre Trust operates under one service called Venue Management Services.

Image acknowledgements

Cover Page – Lighting of the His Majesty's Theatre façade. Photo by Alison Rodrigues.

Page 3 – State Theatre Centre of WA. Photo by Eva Fernandez.

Page 5 – Lighting of the His Majesty's Theatre façade. Photo by Alison Rodrigues.

Page 9 – Catherine Alcorn in *Go Your Own Way*. Photo by Luke Stambouliah.

Page 13 – Michael Griffiths. Photo by Kurt Sneddon, Blueprint Studios.

Page 17 – Dave Warner. Photo by Frances Andrijich.

Page 22 – The Gold Digger, FRINGE WORLD 2015. Photo by John Leonard.

Page 23 – Bell Shakespeare's *Hamlet*. Josh McConville. Photo by Pierre Toussaint.

Page 27 – State Theatre Centre of WA. Photo by Robert Frith.

Page 29 – *Coincidences at the End of Time*, Subiaco Theatre Festival.

Page 31 – Perth Concert Hall. Photo by Mark Commons.

Page 33 – His Majesty's Theatre. Photo by Robert Frith.

Page 51 – State Theatre Centre of WA. Photo by Robert Frith.

